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INITIAL SUCCESS OF GOLD YUAN

No Trip For Governor

An agency report from Peking that the Governor of Hong Kong, Sir Alexander Grantham, is expected to arrive in the northern city this week for a short holiday, was denied at Government House yesterday.

Prediction Of Revolt Condemned

Nanking, August 29. The Chinese Government today castigated an article in the magazine United Nations World, which predicted a revolt against the regime of Generalissimo Chiang Kai-shek in the near future. In scathing condemnation of the article, the government information office director, Dr. Hollington K. Tseng, told the United Press: "I think it is time for the United Nations to prevent the use of a magazine carrying such a misleading article on China. Any writer who is so bold and indiscreet should be investigated as to the motive for writing the article. 'President Chiang, in the estimation of people who are patriotic and mean well to their nation, is as strong as ever. This is simply shown in the support given by the people in changing the old currency, gold dollar, for the new gold yuan since the beginning of the currency reform. His leadership is generally appreciated. No one in the country can take over his place. 'Less than a month and a half will be October 10, which day the writer sets as the deadline for the dreadful event he predicts. Many prophets on things Chinese have come to sad grief and most readers have short memories. I hope this time the writer will probably be labelled a Communist agent if the prophecy—if I may so call it—should fail.'—United Press.

WESTERN POWERS CONFER

Moscow, August 28. The envoys of the three Western powers talked at the British Embassy for nearly two hours today at their second private conference since yesterday's latest East-West crisis meeting with the Soviet Foreign Minister, M. Vyacheslav Molotov. After today's conference, which started at noon, an American spokesman said: "I have no news about a communiqué and I do not expect any news today." Diplomatic observers believe that the Embassy meeting dealt with the expected interim announcement on the secret month-old negotiations about Germany, but expected another Kremlin conference on any communiqué was issued. It was thought that last night's three-hour Kremlin meeting—the eighth with M. Molotov—produced a draft announcement which was referred back to the Western capitals to ensure all round agreement on the wording, before publication. The only mention of a communiqué from the envoys themselves, so far, was last night's remark by Mr. Frank Roberts of Britain: "No communiqué tonight." Mr. Geoffrey Harrison, the British Minister in Moscow, held the routine fortnightly conference of the heads of Commonwealth Missions in the Soviet capital while the envoys were talking. The two meetings proceeded quite independently of each other.—Reuter.

On Other Pages

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Page 10 Malaya Repetitions On UK Dollars.
Page 12 Home Football Details. County Cricket.

Millions Of HK Dollars Surrendered To Banks

CALL FOR GREATER EFFORTS

Shanghai, August 29. The joint board of the four Government-owned banks today announced that, during four and a half business days since the introduction of the gold yuan, a total of US\$12,000,000 worth of foreign currencies, gold and silver bullion had been converted in the entire country.

Changchun Airfield Recaptured

Shanghai, August 29. The recapture of Tafaungson airfield on the southwestern outskirts of the isolated Manchurian capital of Changchun was the most important of the many successes reported in pro-Government despatches received here today from the civil war fronts. Victory is said to have been achieved in a surprise counter-attack by Nationalist garrison forces who are now busily restoring the field for the early arrival of airborne reinforcements and supplies. Changchun's other airfield is still in the hands of the Communists. Government successes were also claimed in north Anhwei, northwest Honan and central Shansi, in all of which sectors Government forces are attacking to disrupt the Red preparations for an autumn offensive.

Counter Offensive

While General Li Mi's two-pronged counter offensive in north Anhwei made "good progress" towards his objective—the rice producing centre of Foyang—General Yen Shih-shan's Shansi Army struck out from Taiyuan and recaptured several mountain strongholds 10 miles west of the capital, semi official reports said. In Honan, Communist units have evacuated the towns of Taikong and Iwewang, 50 and 70 miles southwest of Kaifeng respectively, and have crossed into West Shantung. Nationalist troops stepped up their drive of push towards Kweihsien, near the border of East Honan and northern Anhwei. Government reports said today that General Fu Tso-yi, the North China Commander in Chief, had completed the movement of his troops necessitated by the recent Communist action in placing the entire Peiping-Suiyuan railway under his control and that, as a result, the Shansi forces formerly stationed in the Taiyuan sector have been moved southward to strengthen the defence of Taiyuan.—Reuter.

AIR GIANT BREAKS RECORD

Chicago, August 28. The four-engined United States Navy flying boat, Caronina, Mars, weighing 82-1/2 tons, touched down on Lake Michigan off Chicago's Burnham Park today to break the world distance record for flying boats by 301 miles. The giant seaplane made the non-stop trip from Honolulu to Ann Arbor, Michigan, and on to Chicago in an official time of 24 hours and 12 minutes. The unofficial mileage was 4,070, far beyond the old mark of 4,375 miles for a craft of its type. The Mars, the largest flying boat in regular operation, came in to a smooth landing. It took off from Honolulu at 6:13 a.m. GMT yesterday, flew east to Ann Arbor then circled and flew back to Chicago, its destination. The huge craft, which is 120 feet long and has a wing spread of 200 feet, carried 30 persons and a cargo of agricultural products and fuel. It was en route from the Hawaiian Islands. The previous flying boat distance record was 4,375 miles from the Paluxus Naval Air Station in Maryland to Natal, Brazil.—Reuter.

A breakdown of the figures showed that the public surrendered during this period 101,700 shih liang (each equalling 1.1023 ounces) of gold, 205,300 shih liang of silver, 900,000 silver dollars, 5,150,000 United States dollars and HK\$9,200,000.

In a statement, the Premier, Dr. Wong Wen-hao, expressed gratification over the "preliminary success" of the economic reform programme but urged the local authorities to exert greater efforts towards stabilising the markets, readjusting the demand and supply, stamping out speculation, wiping out the blackmarket and helping production.

The Premier said that on the results of the efforts in these directions depended the attainment of the programme's objectives.

The acting Chairman of the British Chamber of Commerce here welcomed the monetary reform in an interview with the British newspaper, the North China Daily News. He said that there was every possibility of the reform being carried through to a complete success. Some people were of the opinion that the change consisted of knocking off the shih liang off the existing national currency but this did not appear to him to be so.

Slight Price Decline

There was already a slight decline in wholesale prices and although some retailers had raised theirs, he felt that this was due not so much to a desire to get higher prices as to the reluctance to sell their goods for the time being until the general reaction to the new money becomes clearer. Mr. General Chiang Ching-kuo, the assistant economic controller for Shanghai, has dealt a heavy blow to alleged hoarders by ordering the confiscation of approximately 900 bales of cotton yarn and cloth which had been stored in local warehouses and godowns for more than three months.

At the same time, General Chiang, the President's eldest son, has announced that all persons holding large stocks of cotton goods but not putting them on the market for sale will be treated as hoarders and severely punished. Meanwhile, the Executive Yuan has approved the establishment of three new organisations for the Shanghai area to carry out the various economic control measures recently promulgated by the Government. These are the Shanghai Supply Commission, which will have control of the supply and demand, consumption and conservation of supplies in this area, the Shanghai Inspection Commission, which will be responsible for the prevention and elimination of illegal and speculative dealings, hoarding and smuggling, and the Shanghai Price Scrutiny Commission, which will undertake a study of commodities and their prices.

Shops Accused

More than 200 shops have been accused by the public of raising their prices above the August 19 ceiling since the introduction of the gold yuan, it was learned today. They range from leading department stores and restaurants to both houses and noodle shops. Several managers of these stores have been summoned by the police to explain their alleged actions. It was also announced that Major General Chiang Ching-kuo is prepared personally to receive complaints from the public two days weekly in his office. While expressing satisfaction with the progress of the con-

version in Tientsin of gold and silver bullion, silver coins and foreign currencies into the new currency, the Vice-Premier, Mr. Chang Li-sheng, who arrived from Peiping yesterday afternoon, urged the "larger holders," including banks, firms and individuals, still maintaining the "wait and see" attitude, to convert their holdings. Mr. Chang, who has been sent north to supervise the enforcement of the currency measures in the Tientsin area, will be meeting local leading industrialists, businessmen and bankers to study the reaction to the Government's measures.

In the meantime, the local authorities have begun the inspection of godowns, while inspectors have been out during the past few days investigating whether retailers have been strictly following the decree freezing prices at the August 19 levels.

Bright Prospects

Several retailers are facing possible prosecution for alleged violations of the price regulations. Mr. Chang told inspectors, however, the prices will not be frozen indefinitely and reasonable readjustments are possible with official permission after the transitional period.

In Canton, bright prospects for both China's import and export trade, secured through its financial stability, was predicted by a spokesman of the local office of the Export and Import Regulation Board. The spokesman, after stating that the policy of the Board has not so far, changed as a result of the currency reform, forecast the easing of restrictions on imports.

He added that the Gold Yuan could now be used to purchase foreign exchange without having to go through formalities.—Reuter.

CHINA ASKED TO STOP CNAC MANILA FLIGHTS

Shanghai, August 29. The Philippine Government has requested the Chinese Government to suspend all CNAC flights to Manila beginning September 1, according to the British-owned North China Daily News today.

The Philippine Minister to China, Senator Sebastian, was reported to have informed the Chinese Ministry of Foreign Affairs that the Philippine Government's notice would stand until the Chinese Government had granted "reciprocal rights" to Philippine Airlines.

Amoy Stop-Over

The suspension came as a sequel to the fruitless efforts by the Philippine Minister to obtain permission for PAL planes to use Amoy as a stop-over point between Manila and Shanghai, the Daily News said. The Chinese Government has told Senator Sebastian that reciprocity existed, because CNAC and PAL were each allowed to make two weekly flights between Shanghai and Manila and that Amoy was not an international airport.



The Hollywood stars, Tyrone Power and Linda Christian, who are on holiday in Italy. Rumour has linked them romantically but it was stated recently that they are "too busy to wed." (AP Photo)

MASS WEDDING PLAN FOR LOCAL CHINESE

The Kowloon Chinese Chamber of Commerce is arranging the celebration of mass weddings for Chinese couples.

Aim is to cut down the expenditure and extravagance usually associated with Chinese weddings.

For each couple taking part in the mass weddings, which will be celebrated according to the marriage laws in force in China, a charge of \$10 will be made. Registration has started and it is hoped to celebrate the first mass wedding under the scheme on the "Double Tenth"—October 10, which is China's National Day. Those desiring to take part in the mass weddings must furnish the Kowloon Chinese Chamber of Commerce with full particulars regarding themselves, as well as a passport size photograph for identification purposes.

Consent Needed

Before registration, the bride and bridegroom must obtain the consent of their parents or guardians and be recommended by a member of the Kowloon Chinese Chamber of Commerce.

The names of the parties will be advertised in Chinese newspapers circulating in Hong Kong, Canton and Macao for 17 days. If no objection is raised in the proposed marriage, the wedding will take place at the appointed time. The Kowloon Chinese Chamber of Commerce has also arranged to give the prospective bride and bridegroom a series of lectures on "Marriage" so that when they are married, they will better understand their duties and responsibilities and not make

PICTURE OF THE DAY

TOO BUSY TO WED

Liberation Sunday Sermon

Post-War Freedom Worse Than Jap Barbed Wire?

"The freedom we so greatly prized, the world seems to scorn and wants to exchange for slavery which give a semblance of security." These words were spoken by the Very Rev. A. P. Rose, Dean of St. John's Cathedral, in the course of his Liberation Sunday sermon yesterday.

The Dean, who chose as his text "I, therefore, the prisoner in the Lord, beseech you to walk worthily of your calling" (Ephesian 4 verse 1), said in part:— "Every time our thoughts turn to the mercy and providence by which we were liberated from the enemy occupation, our hearts are filled with thankfulness to God. It does us good to ponder upon the good we have experienced at the hand of God.

Not Stood Still

"Yet the world has not stood still. Since that day three years ago, many of our early hopes have receded or vanished. We were set free, but to what kind of freedom and for how long? The freedom we so greatly prized the world seems to scorn, and wants to exchange for slavery which give a semblance of security. We are anxious lest the society or group to which we belong should lose its freedom, and if so, how we should bear it. In such circumstances I think we should be cheered and encouraged by what God has shown us in our experience of his ways of mercy and love.

"We find that the flesh, the world and evil imprison us with a worse confinement than the Japanese and barbed wire. And on the other hand, we certain restrictions upon our liberty gave us some degree of freedom from the world and the flesh and evil. "There were many who in imprisonment found themselves freed from indulgences which had enslaved them; wine, women and the enervating habits and the fatuities destructive of soul and body, too easily available in Hong Kong. These people, looking forward to release, and seeing their own particular demons waiting to leap upon them and blind them again with the old chains, might well have said: 'Is this freedom—am I not rather free now from the worse tyranny?'

Enslavement Again

"And we know when freedom brought affluence and opportunity it often brought enslavement again. I remember one of the finest and best men in camp came only a few days after release, in despair and disgust at having slipped away so soon. "Too much power, greed and an over-stimulated or a roaming sense of curiosity, or any other appetite, enslave and dull our sensibility and understanding, weaken and divide our energies, divide our personality, enclose us in a realm of phantasy and cut us off from

reality. Some prefer their prison of phantasy to the real world and their real selves. They prefer the prison of flesh which is the prison of death. "I suppose the pre-requisite for happiness is to know what God's will is for us and what we are doing it. Or, put in another way, to know that we are doing a job or living a life serviceable to our fellow men and, if possible one which they appreciate. "During the last war, in the environment of small communities of P.O.W. and internment camps, this consciousness was not hard to come by. There was meaning and purpose and drama in all that we did, good or bad. But is this still true?

Freedom Dying

"There are some who have carried over into liberation some of this vision and dedication, particularly those who have thrown themselves into rehabilitation and done a good job. But consider our present world environment. True freedom is dying in a world where moral capital is exhausted, where men have long and largely acted irresponsibly and where they no longer desire freedom, but prefer, as Dostoevsky's Grand Inquisitor predicted, to lay their freedom at the feet of those who would feed them.

"We shall only find release and inner freedom again in recapturing the sense we had of dedication, to God's cause. Only in Christ can we truly be free."

BRITISH AMBASSADOR'S EXAMPLE

Peiping, August 29. Vice-president of the Executive Yuan, Chang Lie-shing, who is visiting north China to supervise the carrying out of the new economic reforms, at a press conference here urged the public to exercise thrift, specially quoting British as an example. Chang said he had noticed that among all the foreign ambassadors and other missions in Nanking the British Ambassador, Sir Ralph Stevenson, was the only one who did not hesitate to wear three-year-old clothes or use a 10-year-old car, thus giving an example of the austerity now reigning in Britain which the Chinese people must follow to make economic recovery possible. —Our Own Correspondent.

The Weather

At 0500 GMT (8 pm HK Summer Time) the typhoon was centred about 450 miles south of Okinawa moving northwest at 12 knots and tending to weaken. From 11 through extended northward to a depression to the E of Japan and eastward to where another depression appears to be forming E of the Marianas. Depressions dominate the Gulf of Tonkin and SW China where a trough extends northward to the Eastern Sea. Pressure is relatively high over N China. The Philippines Forecast—Light or moderate S to SE winds, continue unsettled with moderate rain showers especially in the morning. Yesterday's Weather—Maximum 85.8 deg. F. Minimum 71.0 deg. F. Sunshine: 1.6 hours. Rainfall: 42.3 mm.—1.66 in. Total since Jan. 1—1788.4 mm.—70.4 in. as against an average of 1824.6 mm.—71.8 in. Readings at 10 a.m.—4 p.m. Maximum 85.8 deg. F. Minimum 71.0 deg. F. Dew Point 71.0 deg. F. Wind Direction W 31. Wind Force 8-9 knots. Tide—High 11.15. Low 10.15.

WATSON'S- THE TOPS



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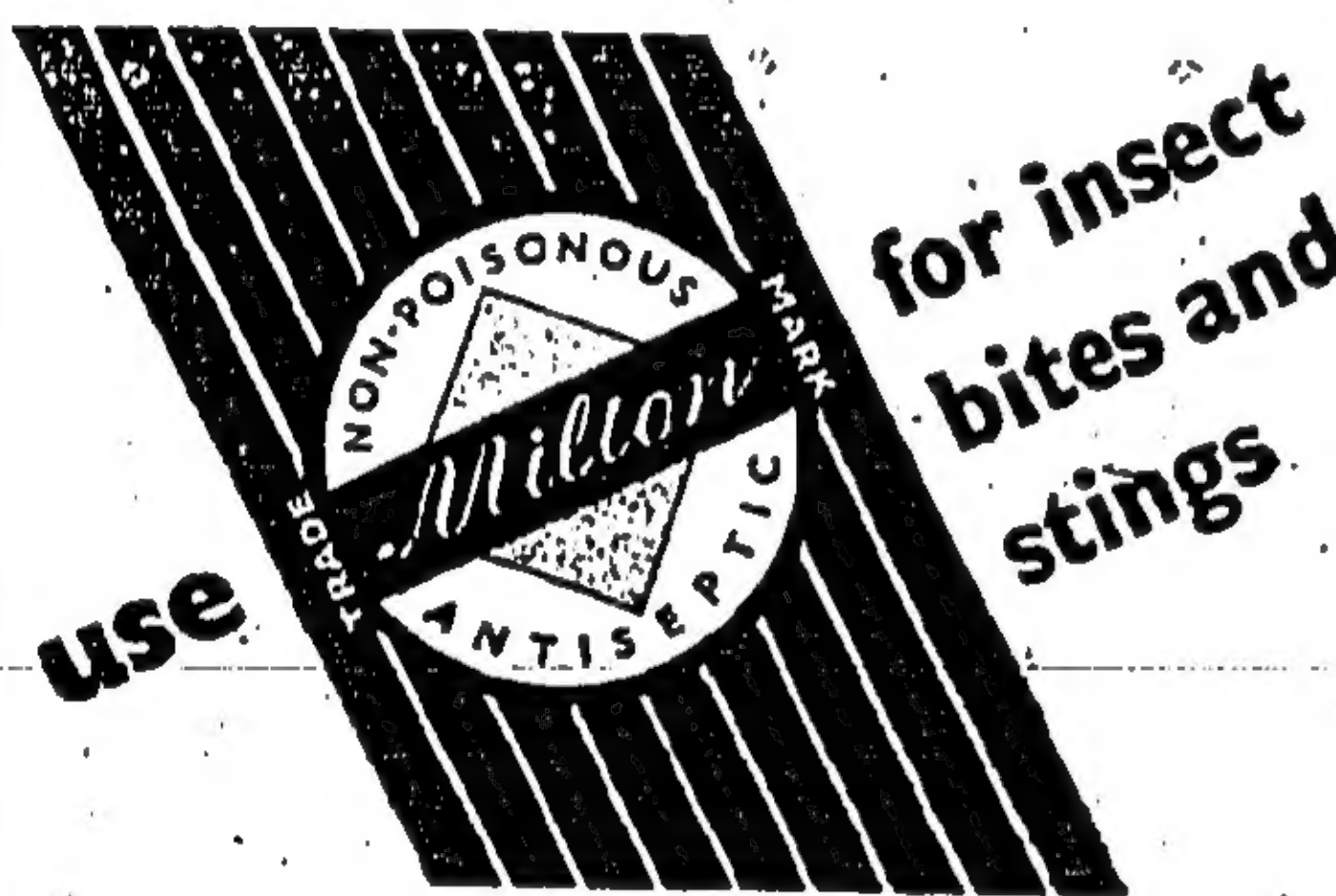
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Tito Beyond The Pale For Ever

Belgrade, August 28.
With Yugoslavia moving over to the offensive in her war of words with the Cominform, it seemed clear today that Premier Marshal Tito and his aids never again could be admitted back into the Communist circle of Eastern Europe.

Twice this week Yugoslavia dropped its defensive role to fresh counter-attacks at states in the Moscow-directed Cominform. Their charges have been much more serious and sweeping than those inspired by the Cominform against Yugoslavia.

The latest blast was aimed at Hungary on Friday. "Responsible State officials of Hungary have been pursuing a campaign against Yugoslavia and the Yugoslav peoples which is in full contradiction of the agreement on friendship, co-operation and mutual aid between Yugoslavia and Hungary," Tanjug, the Yugoslav news agency, quoted the note to Hungary.

The note said that the Hungarian Vice-Premier, Matyas Rakosi, "openly calls for the elimination of the present State leadership of Yugoslavia" and for "revolt and overthrow of the legal government" of the Yugoslavs.

Aiding The West
Two days before, the Yugoslav handed Rumania a formal note charging that Cominform country with assisting the world Communist Front wide open, weakening the whole Communist cause by forcing Yugoslavia out of her strategically important place in a campaign which could be compared with "the most poisonous imperialist reaction."

All this, said the Yugoslav, only aided the Western "imperialist" camp. Earlier in the week the Yugoslavs clashed with another Cominform country, Czechoslovakia.

US PART IN DEFENCE OF SOUTHERN KOREA

Tokyo, August 28.
Lieutenant-General John R. Hodge, retiring Commander of the United States Occupation forces in Korea, told a press conference today that he could not specify any date for American withdrawal from the new Korean Republic.

General Hodge voiced a strong hope in the destiny of the infant republic which was inaugurated this month. He said that Korea had an excellent chance and "comes nearer to democracy than anything I have seen."

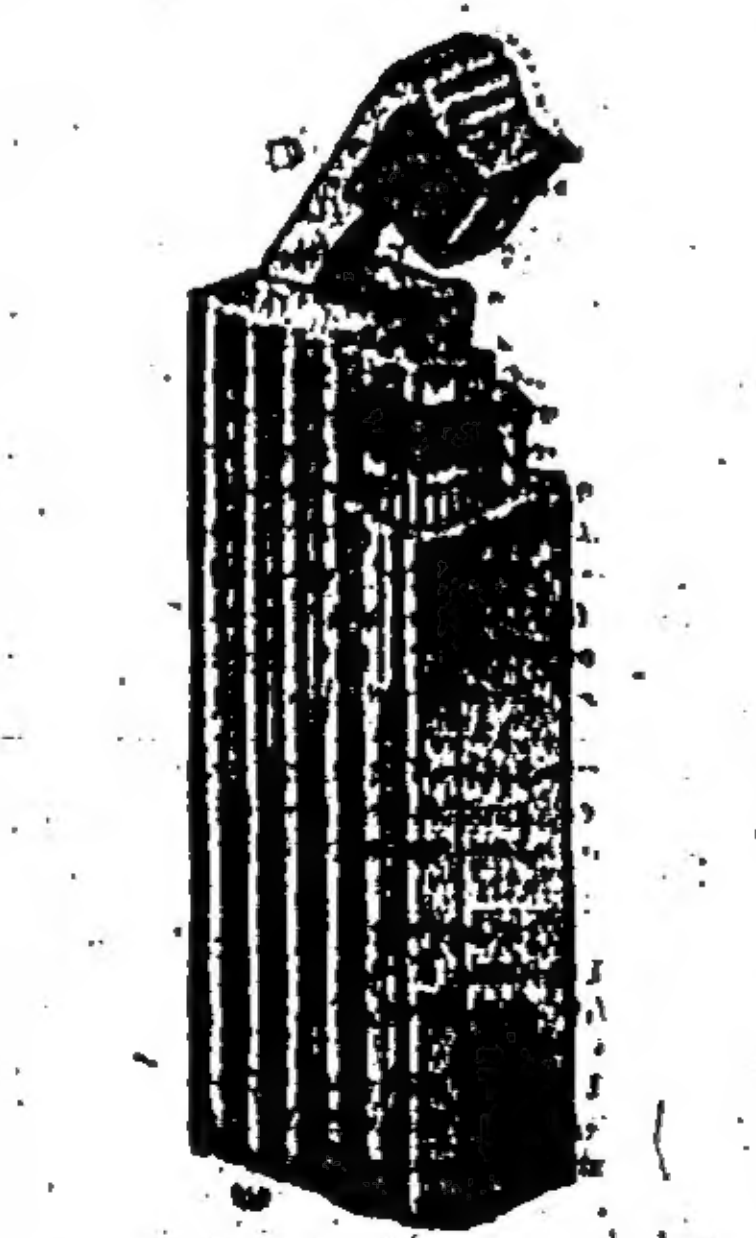
He pointed out that the United States part in the defence needs for Southern Korea must be determined by the United Nations resolution of November 1947.

General Hodge, who is en route to Washington for a temporary assignment with the office of the Chief of Staff, said that the present Korean Army, known as "constabulary", numbered 50,000 and are armed partly with American and partly with Japanese weapons. He said that the United States would continue training the Army under the provisions of the United Nations resolution and would provide it with additional arms "subject to future agreement."

He added that the South Korean Army would not be able to stand up alone against forces which the North Korean Communist Puppet Government under Russian supervision could bring in from China and Manchuria where the Communists have a strength of at least one division.—United Press.



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INDONESIA TO JOIN TARIFF TALKS?

Geneva, August 28.
Dr. E. de Vries, the Netherlands delegate, today told the conference of the 22 nations applying the Geneva tariffs and trade agreement that he hoped the proposed Indonesian Federation would be independently represented at the next meeting of the conference in March or April next year.

Indonesia's external commercial relations should be independent by then, Dr. de Vries said.

It is hoped that the Dutch Parliament will pass the Indonesian Federal Constitution next month and that the Indonesian Republican Government will adhere to it, the Netherlands delegates announced, adding that if this happened, the new Federation would include the East Indonesian Republic and the protected state of Borneo.

The conference of the nations applying the trade and tariff agreement today allowed Ceylon's appeal for permission to withdraw some of the tariff concessions made on her behalf when the agreement was signed last year.

Starvation Threat
Ceylon's delegate, Sir Oliver Goonetilleke, had earlier told a private meeting of the conference that Ceylon's tariff position must be drastically revised to prevent mass starvation.



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Ramadier As Premier?

Paris, August 29.
M. Paul Ramadier, former Premier, is trying to form a new French Cabinet. It was today M. Ramadier said he would give M. Vincent Auriol, the French President, his answer at 5.00 p.m. GMT today after consulting with Socialist colleagues and leaders of the political parties.—Reuter.

DRASTIC MEASURES PROPOSED FOR REDS

Washington, August 28.
The House of Representatives Un-American Activities Committee today called for legislation banning all Communists from Government service.

They should be denied the use of passports and compelled to register and thus make themselves subject to the "weapon of exposure and detection."

The Committee made these recommendations in an interim report on its current Communist spy ring hearings. The Committee also called for the enactment of laws which would:

Firstly, cut down the number of foreign Communists who could be admitted into the United States.

Secondly, compel the Government to hand over to Congress all information and secret files concerning the "loyalty" of any Government employee.

Thirdly, sharply increase the penalties of those who are convicted of contempt of Congress.

Fourthly, strip the Commission of any officer who refused to testify whether or not he was a Communist and ban from Government service any Government employee who declined to answer a similar question.

The Committee, which claimed that its public hearings had established the existence of Communist spy rings within the Government, asserted that there was every reason to believe that it had "merely scratched the surface of these activities and that more of these groups exist than have been disclosed by available witnesses, and that such groups are still operating within the Government."—Reuter.

**Norwegian
On Murder
Charge**
Ellesmere Port, Cheshire, August 28.
Olaf Andrea Flaathie, aged 33, a member of the Norwegian vessel, Borgholt, registered at Oslo, was charged at Ellesmere Port tonight with murdering a woman named Clara Cropper, aged 41, who had been missing from her home since July 2.

A police superintendent said that on August 12 a school boy found the nude and much decomposed body of the woman on some waste ground. The police called in a pathologist whose evidence showed the woman died by some violence to the right side of the skull, causing a fracture.

The superintendent said that Flaathie met Clara Cropper on the night of July 2 in an inn at Ellesmere Port with another woman. They drank together until 10 p.m. when they left the inn and went to the other woman's house.

Flaathie and the dead woman left the house together and as far as the police could say, they were the last time she was seen alive.

When the Borgholt returned from Norway to Britain last Thursday, it was met by police officers who interviewed Flaathie at Gravesend, Kent.

A detective inspector said that when he questioned Flaathie and charged him with the murder, the accused replied: "All I can say is that I am not guilty of the charge."

Flaathie was remanded in custody until Wednesday.—Reuter.

**Emergency
Landing In
Shanghai**

Shanghai, August 29.
The disclosure that Sir Alvery Gascoigne, top-ranking United Kingdom diplomat, was among the eight passengers in the British Overseas Airways Corporation flying boat which made a safe emergency landing in Shanghai a few days ago, en route to Iwakuni, Japan, was made by the local BOAC agents yesterday, according to the China Press.

The four-motor "Plymouth" flying boat landed on the Whangpoo River off Lungshuei Airport after turning back as a result of inclement weather at Iwakuni, but resumed her flight after a day's stop over.

Although BOAC flying boats on the United Kingdom-Hong Kong-Iwakuni weekly run are permitted to use both Shanghai and Taiwan, this was the first time a Plymouth plane has landed here since the route was opened.—Reuter.

Britain, the Netherlands, the United States and Canada were amongst the nations supporting Ceylon's appeal.

Ceylon was urged to complete new tariff negotiations with the 21 other nations before April, 1949.

The success of Ceylon's appeal should not form a precedent and any other appeals must be examined strictly in their merits, the chairman of the meeting, the Canadian delegate, M. L. Dana Wilgress, stressed.—Reuter.



1. Brian Aherne, distinguished Irish player, who has been in Hollywood for years. He starred in the film version of Howard Spring's best-selling novel, "What was his name?"
(a) No Other Tiger
(b) Grubby Tiger
(c) My Son, My Son
(d) Queen Dolphin Street

HYDERABAD ISSUE ONLY DOMESTIC, INDIA SAYS

New Delhi, August 28.
The Government of India regards the dispute with Hyderabad as a "purely domestic issue," according to a letter from Mr. V. P. Menon, Secretary of the Ministry of States, to Mr. Mir Laik Ali, Premier of Hyderabad, published here today.

The letter, dated August 23, declared that India cannot admit Hyderabad has any right in international law to seek the intervention of the United Nations or any other outside body.

The letter was in reply to the Hyderabad Premier's communication of August 17 to Pandit Nehru, the Indian Prime Minister, informing him of the Nizam's decision to take the issue to the United Nations.

Mr. Mir Laik Ali, in his letter to the Union Premier, said the situation now constituted an "imminent threat to peace."

Nizam's Charge

The Nizam's Government charged India with "breaches of the standard agreement" (providing for close co-operation between the two States and valid for one year from last November), improper pressure on Hyderabad through an economic blockade and financial sanctions permitting and encouraging border raids into Hyderabad territory, threatening Hyderabad with armed aggression and violating the State's territorial integrity by the military occupation of three places.

Mr. Menon's letter said that no useful purpose would be served by a detailed refutation of these charges.

The Nizam expressed his desire for friendly relations with India in reply to a last-minute appeal of India's Governor General, Chakravarti Rajagopalachari, to "take a realistic view of things before it is too late," a Government spokesman in Hyderabad announced tonight.

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The Hyderabad delegation which is to present to the United Nations the princely state's case in its dispute with India over the Dominion's demand for accession is expected to leave next month.

The Hyderabad Government has asked the Indian Government to extend "all facilities" to the delegation when it passes through Indian territory.—Reuter.

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**Monday Morning
PICTURE QUIZ**

This is one of the rather difficult ones that require some thought—and a little of general knowledge.

All these film people are popular in Hong Kong, so decide on their names, study the questions, and then check your answers at the foot of page 3.



2. She's been in films for years. Her recently been typed in a gambler and mystery story. She has a few months ago in "Born to Kill." Her name?
(a) Gloria Trevor
(b) Elizabeth Scott
(c) Barbara Stanwyck
(d) Joan Bennett



3. Famous singer, starred in several films, but in two only—Milk and Milk. Her name?
(a) Dyanne Durbin
(b) Dinah Shore
(c) Judy Garland
(d) Carmen Miranda



4. A hard one, but you can't have stars all the time. You've seen his face dozens of times in character parts. His name?
(a) Alberto Sordi
(b) Peter Lorre
(c) Harry Woods
(d) Sam Levene

Siam To Ban Opium Cultivation

Bangkok, August 29.
The Siam Government revealed today that the Ministry of Finance is preparing a bill outlawing cultivation of opium in the Kingdom and another calling for compulsory registration of all opium smokers.

The bill is part of a government effort to eradicate opium smoking in the Kingdom. Already it has been declared that no further purchases of opium from abroad will be made.

An opium abolition committee headed by Minister of Finance estimates 20,000 opium addicts in the majority of Siam cities. Bangkok alone has 40 licensed opium dens and nearly 3,000 in the rest of the Kingdom.

Registration will provide that aliens who break the registration law will be deported.

Opium sales in Siam annually amount to about U.S.\$4,000,000. The Government received a large portion of this in revenue from opium licenses.

Present poppy cultivation for opium is by hill tribes of the northern provinces.—Associated Press.

Van Mook For Holland

Batavia, August 29.
The Lieutenant Governor General, Dr. Hubertus van Mook, will leave for Holland on September 8 at the request of the Netherlands Government for general discussions on the Indonesian situation. It was officially announced today.

Observers here believe he will resign after stating his views before Federalist Indonesians and The Hague officials examining a new draft law for reconstruction of the Indies administration.—United Press.

100 DEATHS IN US HEATWAVE

Chicago, August 28.
The death toll from this summer's longest heat wave soared past the 100 mark as temperatures climbed to record-breaking heights for the sixth consecutive day.

A United Press survey revealed that at least 114 have died as a result of the stifling heat, which has caused sweltering discomfort to millions. Drownings accounted for 31 deaths and the remainder were the result of heat prostration, stroke or heart attacks induced by the heat.

New York had the highest toll of 23, Michigan had 20 and Illinois 19.

At Charleston, West Virginia, temperatures soared to 105 degrees for the second straight day. It was the highest temperature recorded there in 14 years.

Huntington, West Virginia, reported 102 degrees for the fourth day in a row of temperatures which topped 100 degrees.

It was 98.6 at Philadelphia, nearly eight degrees higher than the previous record for August 28.

At Bluefield, West Virginia, the Chamber of Commerce traditional practice of serving free lemonade when the temperature went over 90 degrees was abandoned.

It was the first time in history that the mercury had topped 90 more than once during summer, this time in the same week.—United Press.

Govt Made \$30,000 A Month From Wholesale Vegetable Marketing

Miss Keller Welcomed To Japan

Tokyo, August 29. Miss Helen Keller, accompanied by her companion, Miss Polly Thomson, arrived at Iwakuni airport today and will proceed to Tokyo by train. She is expected at the capital tomorrow night.

Miss Keller and Miss Thomson flew from Manila in a British Lancashire transport. The arrival of the woman who overcame the handicaps of deafness and blindness was treated as top news of the day by the Japanese. Preparation to greet her had been underway for months.

"Helen Keller" was sold for and to the hotel and even the Helen Keller song was broadcast on the Japanese radio.

Miss Keller will lunch with General MacArthur on Tuesday and then leave Tokyo to rest at the resort hotel at Hakone, 50 miles south of Tokyo.

On arrival at the hotel Miss Keller was greeted by an officer of the staff of the United States Army, and other occupation Army officers as well as a group of Japanese representatives.

Following the brief official welcome, two Japanese girls presented Miss Keller with bouquets of flowers. Then two other Japanese girls, both deaf, were presented to her whereupon she kissed the girls and said "It is good to see you smiling."

From the hotel Miss Keller proceeded to the residence of Group Captain Eton for a brief rest and dinner. She is scheduled to leave at 11 p.m. local time for Tokyo. —United Press.

New CATC Services

Shanghai, August 28. The Central News Agency in a despatch from Canton said that beginning on September 1, the Central Air Transport Corporation will open three new air-lanes: one from Canton to Swatow, one from Hong Kong to Taipei via Swatow and Amoy, and another from Shanghai to Taipei via Fenchow. Weekly flights from Canton to Swatow will be on Wednesdays and Sundays, from Hong Kong to Taipei every Tuesday, Thursday and Sunday, and from Shanghai to Taipei on Wednesday, Friday and Sunday. —Associated Press.

British Claim In The Antarctic

London, August 28.

Whitehall sources indicated today that Britain will expect her "unquestionable claims" in the Antarctic to be fully respected in any future multi-lateral arrangement for the Antarctic continent.

They hinted that the Falkland Islands would not come within the scope of such an arrangement on the grounds that they are not within the Antarctic area.

The Foreign Office remained reserved and non-committal while discussions are proceeding with the Dominions on the United States proposal for consideration of an international administration of the Antarctic continent.

Talks are in progress at present with Australia and New Zealand, who are both immediately interested parties in any future set-up for the Antarctic.

Diplomatic sources underlined today the tentative character of the United States proposal. It is expected that Britain, in her talks with the Dominion Governments would examine the international solution, but would strongly insist that "due account" is taken in any future arrangement of what is described as Britain's "unquestionable right" in certain areas, and of her whaling rights.

Australian Interest

Australian sources in London stressed today Australia's growing interest in the Antarctic and in any future political set-up and said that they would want to take part in any international talks on this issue.

Without prejudice to the latest United States proposal on the issue of the Antarctic, it appeared that it is still inclined to adhere to her earlier suggestion that Argentina and Chile submit their claims to the International Court of Justice at the Hague.

Nothing transpired to indicate any change in the earlier official stand that in the Falkland Islands, Britain's claims are unquestionable.

An average monthly commission of more than \$30,000 was earned by the Government Wholesale Vegetable Market at Kowloon for handling 12 items of agricultural produce during the first six months of this year.

The items listed in a recent return were Tientsin cabbage ("wong nga paak"), turnips ("loh paak"), Chinese flowering cabbage ("paak choi shum"), Chinese kale, white cabbage ("paak choh"), cabbage leaf mustard, lettuce, Irish potatoes ("shu chah"), sweet potatoes ("faan shu"), spinach ("yin choh"), and water cress ("sal yeung choh").

Retail Value

A grand total of 10,342.2 tons (12,374,996 catties) of these vegetables passed through the Market and were officially sold at the retail value of \$3,065,254.34, or an average of \$539,888.40 monthly. This retail value included an average of 30 per cent. of the wholesale price for the retailers.

Allowing for a deduction of 25 per cent. on the retail prices given in the return, the approximate wholesale value of the vegetable handled by the Market during the first half of the year was \$2,298,940.76, and the commission (eight per cent.) collected by Government amounted to \$183,915.26.

By far the most popular vegetable was the Tientsin cabbage for during the peak of its season (February) a total of 547.7 tons (657,240 catties) or 1,226,848 lbs. was sold for a total of \$118,927.20. From January to April, 1,010.8 tons (1,213,224 catties) or 2,277,832 lbs. were retailed to the public for \$348,153.12.

Smallest Item

The smallest item handled by the Market was the Irish potato. During the period covered by the return only 208.5 tons (407,040 lbs.), valued at \$77,904.24, passed through the Market. Sweet potatoes, so popular during the autumn period, have also fallen from grace as only 844,664 catties (\$104,954.40) appeared on the records of the Market sales.

With the exception of "wong nga paak", tomatoes were the most plentiful during the first six months. A total of 1,821.4 tons (2,185,682 catties) or approximately 4,815,000 lbs. were sold for \$485,535.92, were sold. Sales ranged from 814,128 catties in April down to 119,112 catties in June, with retail prices fluctuating between 17 cents and 24 cents.

Flowering cabbage, a favourite with the Chinese, commanded a total sale of 2,418,024 catties (\$519,459.52) during the period, or an average of 403,004 catties each month. Spinach, the food of Pop-Eye the Sailor, also had a large following of admirers for no less

than 1,393.9 tons (2,341,752 catties) or 3,122,336 lbs. were retailed from January to June for a total of \$432,230.50. It was most plentiful in June, 607,590 catties and least in supply in January, (168,672 catties). At the height of its season the price was 12 cents a catty (or nine cents a pound), and in January it was 27 cents and 26 cents, respectively.

Retail Prices Down

With the exception of potatoes (Irish and sweet), the average retail prices for this year, were very much lower than those of 1947. Comparison with last year's average in brackets:

Tientsin cabbage, 20.25 cents (20); turnips, 10.5 (15); tomatoes, 18.7 (37); flowering cabbage, 24.8 (38); Chinese kale, 18.3 (45); white cabbage, 19.5 (29); cabbage leaf mustard, 21 (31); lettuce, 11.8 (29); Irish potatoes, 24.7 (25); sweet potatoes, 12.7 (11); spinach, 19.5 (25); and water cress, 24.1 (46).

Notable absences from the list of vegetables were yam or taro, lilyroot, bean sprout, and spring beans which, so far as could be learned, have always commanded a very ready sale among the Chinese population.

All quotations given are those contained in the return and not necessarily those charged by retailers, whether stallholders or licensed hawkers. According to reliable sources, the prices charged at the markets were between three and four times the official rates.

AUSTRALIANS SCEPTICAL OF JAPAN

New York, August 29.

The Australian Information Bureau reported today that members of Australia's Parliamentary delegation to Japan are convinced that a long occupation of Japan will be necessary.

The Australians' sentiment for the most part sceptical that the Japanese can quickly learn democratic habits after a long reign of emperor institutions, was that hope lay with Japanese children and university students.

The Liberal Party member, Mr. J. Francis, thought that the Japanese are anxious for democratic Government but pointed to the long history of feudal institutions as a difficulty. The delegation was unanimous in praising the Australian troops in the occupation force. It was reported that the delegation's leader, Leslie Hayden, will make a statement to the Australian Parliament regarding his visit to Emperor Hirohito. —United Press.

DR. SOONG VISITING

Dr. T. V. Soong, Governor of Kwangtung, who arrived here by air on Friday last, was the guest of His Excellency the Governor, Sir Alexander Grantham, at a luncheon party at Government House yesterday.

It is understood that Dr. Soong's visit to Hong Kong is in connection with Sino-British economic affairs and the putting into effect of the agreement for the prevention of smuggling between Hong Kong and China.

SOLUTIONS TO PICTURE QUIZ

- 1 (c)
- 2 (b)
- 3 (b)
- 4 (c)

HONG KONG'S OWN FILM PAPER



LATEST NEWS from HOLLYWOOD plus INTERESTING LOCAL ITEMS!

EXCITING COMPETITION Free Cinema Seats Prizes.

Every issue of "Hong Kong Film & Theatre News" contains a "feature" film, a list of a famous star, Fashion and Beauty articles, and Astrological notes for the current month.

Obtainable from cinemas, bookstalls and news-vendors.

COMMUNISTS PLANNING CONFERENCE AT LOYANG

Shanghai, August 29.

Chinese reports from Nanking today claimed that Mao Tse-tung, Chinese Communist Party chairman, is planning to hold a political consultative conference at Loyang, in Honan Province.

Attending would be General Feng Yu-hsiang, Marshal Li Chai-sun and other anti-Chiang dissident leaders.

The reports claimed that Mao Tse-tung, General Chu Teh, overall military commander of the Communist armies, and the Loyang area field commander, Chen Keng, held a meeting early this month and studied the feasibility of making Loyang the seat of the "democratic coalition government."

The reports claimed that the Communists planned to include General Feng, Marshal Li and members of the Democratic League into such a government to work for the overthrow of the Kuomintang regime.

Loyang, which is on the Lung-hai railway, was China's capital 1,000 years ago.

Possible Route

If the communists decide to set up a government at Loyang, Feng, Li and other Hong Kong officials and dissidents will have

COLLAPSED DURING CELEBRATION

Mrs. Pauline Armatrude Danby Birch, wife of Mr. B. G. Birch, B.A., Reader in English in the University of Hong Kong, died at the Queen Mary Hospital at 8 a.m. yesterday.

She was admitted to Hospital on August 26 following a sudden collapse during the celebration of her birthday.

Mrs. Birch, who is the daughter of Mr. J. Birch, explorer of Dahomey, first arrived in the Colony in 1926. Prior to the outbreak of the Pacific War, she was evacuated to Australia, returning here in HMS Victorious in 1946.

The funeral will take place from the Chapel of the Colonial Cemetery, Happy Valley, at 3 p.m. today.

Jews' Indignation At Boiling Point

Jerusalem, August 28.

Arabs shelled parts of Jerusalem for the second consecutive night and Jewish indignation and dissatisfaction with the impotency and "unfairness" of United Nations observers here are rapidly reaching boiling point.

Mortars and artillery which the Jews identified as six pounders were used. A French United Nations observer was hurt in the shelling.

Several explosions in downtown Jerusalem last night rattled windows and shook houses throughout the Holy City. An Israeli communiqué, however, said that no casualties have thus far been reported.

Jewish inhabitants said that they were "fed up" with the truce observers in their "partiality" to the Arabs. They pointed out that the Observer Headquarters charged the Jews with "flagrant violation" of the truce for failing to evacuate troops from the Government House in the Red Cross area while the Arabs shelled the Holy City unceasingly.

At the same time, they said that the United Nations Truce headquarters simply recorded the Arab blasting of the Latroun pumping station as a "violation" and after three weeks had taken no action against the perpetrators.

"Finish The Job"

The Jews are being prodded by extremist elements who daily emphasize the United Nations' weaknesses and urge the Israelis to "take matters in their own hands and finish the job" by driving out the Arabs. The argument about the Jewish occupation of Government House centres about the fact that it is in the neutral zone now under Red Cross jurisdiction. The Arabs and United Nations observers complain that the Jews are still occupying the positions there despite the promise to evacuate. The Jews claim the Arabs are still moving troops across the neutral corridor to strengthen their positions on the outskirts of Jerusalem. —United Press.

GENERAL HOLIDAY

PATRONS ARE REQUESTED TO TAKE NOTE THAT OUR STORES WILL BE CLOSED TO BUSINESS TODAY, (LIBERATION DAY).

CHINA EMPORIUM LTD.
THE SUN CO., LTD.
THE WING ON CO., LTD.
THE SINCERE CO., LTD.

Van Heutsz Repairs Completed

After staying in drydock at Taikoo for three weeks undergoing general repairs and also to enable her officers to give evidence in the "Van Heutsz Piracy Case," the Dutch motorship Van Heutsz left Hong Kong last evening.

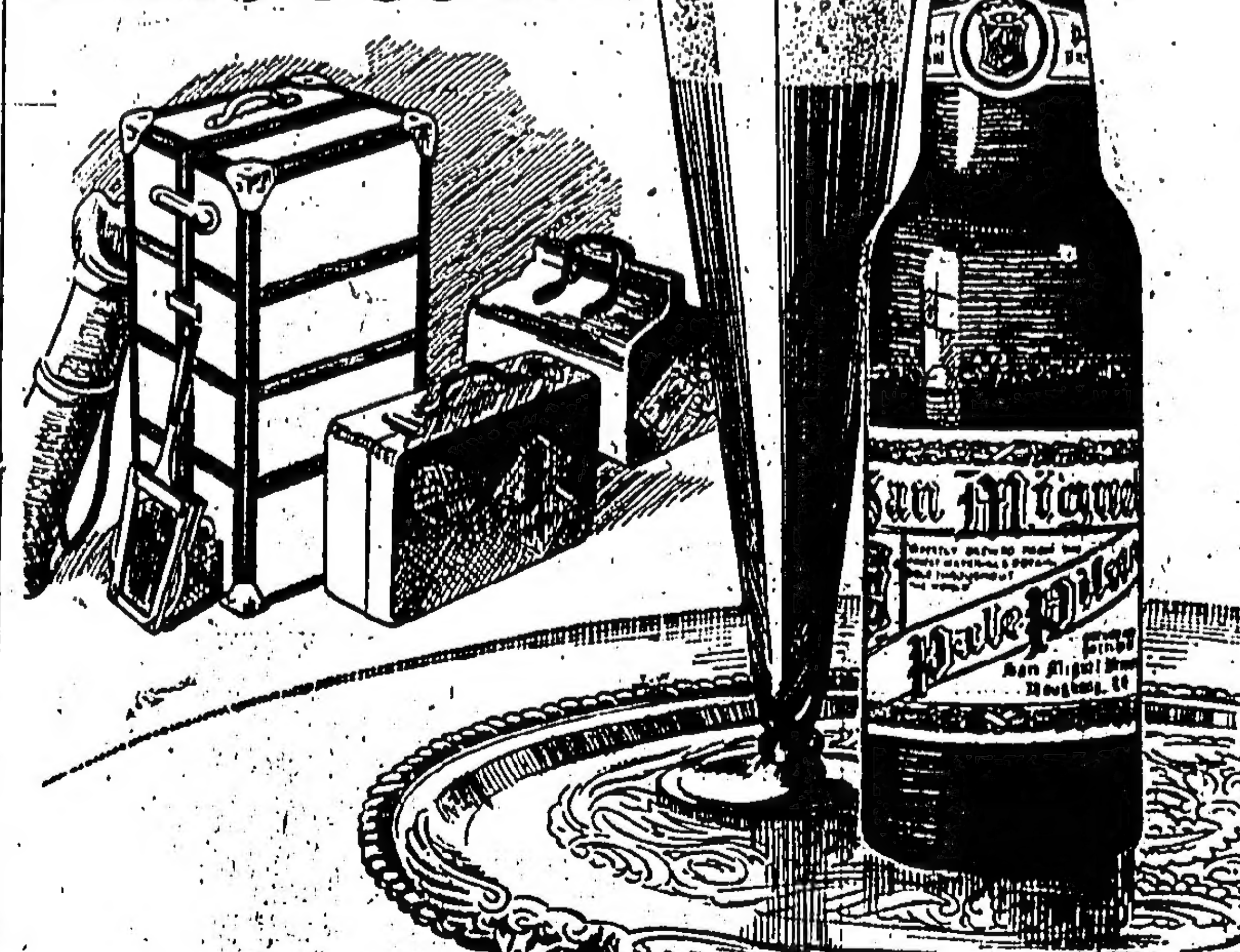
The 8,000-ton Dutch vessel, which was seized and held up for a few hours by pirates, left harbour to resume her China Coast—Straits run for the Royal Intercolonial Line.

The Van Heutsz arrived here from Amoy on August 8 and went to drydock to undergo several general alterations. In the meantime, her master, Mr. Kinas Albertus Vliek, and several officers gave evidence at the Supreme Court in the case against four Chinese, charged with piracy against the law of nations.

The case concluded on August 13 and the verdict was delivered on August 16 when the four pirates were sentenced to terms ranging between six and nine years' hard labour.

Built at Amsterdam and flying the Dutch flag, the 8,000-ton motorship accommodates more than 2,000 passengers. She plies between Sumatra, the Straits and the China ports.

Cool off AND FRESHEN UP AFTER THAT LONG, TIRING JOURNEY



San Miguel Pale Pilsen



SOLD EVERYWHERE Brewed & Bottled by San Miguel Brewery Hongkong, Ltd.

CLASSIFIED ADVERTISEMENTS

20 Words \$2 for 1 insertion
\$1 for every additional insertion
10 cents every additional word per insertion
(Alternate insertions 10% Extra)

BIRTHS, DEATHS, MARRIAGES, PERSONAL, \$5 per insertion of 25 words. 25 cents every additional word per insertion.
Classified Advertisements, accepted up to 5 p.m. for publication in the following day's paper.

Replies for the Following Box Nos. are awaiting collection

Nos. 493, 510, 544, 546, 545, 547, 550, 557.

Replies will be forwarded to the Advertiser if requested on the original form which should bear their name and address.

A suitable announcement will be inserted Free of Charge if Advertiser's requirements are satisfactorily answered.

POSITIONS VACANT

AIR PILOTS required, must hold commercial pilot's licence and be British citizens; must be prepared to live permanently in Malaya. Apply by airmail letter to General Manager, Malayan Airways, Ocean Building, Singapore, stating age, nationality, race, licences held and number of hours flown in command of each type of aircraft qualifications and experience.

EXPERIENCED shorthand secretaries required, state languages known, salary and full particulars. Post Office Box 1020.

WANTED by British Firm a competent English Stenographer. Excellent wages and conditions for suitable applicant Box 567 "China Mail".

SALES GIRL wanted by well established firm, commencing salary HK\$300.00. Send photo and qualifications to Box 561, "China Mail".

WANTED Teacher of English Night School. Knowledge must possess Matriculation Certificate. Apply Box 571 "China Mail".

WANTED September. (1) Well qualified teacher for General Science Subjects. (2) Qualified teacher for Junior School. Phone for appointment 57172.

AN OPPORTUNITY offers for a young male stenographer, with sound knowledge of English, who would like to get out of office work into journalism. Write in the first instance, to Box 516 "China Mail".

CLASSIFIED ADVERTISEMENTS

MAY BE BOOKED AT THE
BOWEN ROSE STORE,
25 Nathan Road, Tel: 59327

POSITIONS WANTED

ENERGETIC Chinese, University graduate, export experience, local/foreign connections, seeks position. Handles correspondence independently; types well; good references available. Speaks fluent English. Write Box 574, "China Mail".

FULL or part-time correspondence clerk open for engagement, with long years of experience in import and export business. Reply Box 575, "China Mail".

QUALIFIED English lady, secretary-stenographer, high speeds, varied experience, desires part-time position, preferably mornings. Reply Box 560, "China Mail".

ENERGETIC Young Chinese boy, knowledge of English, Chinese, and typing. Also good in Mathematics, seeks position immediately as an office assistant or junior clerk. Box 565, "China Mail".

WANTED KNOWN

EILEEN KERSHAW, 230, Peninsula Hotel, Special display for one week. Authentically old embroideries, wedding skirts, etc. Some three hundred years old.

JUST ARRIVED New Musical Instruments, Fully Tropicalized, By Well Known Makers. Inspection cordially invited at King's Music Company, 5, Chiu Lung Street, Telephone 30439.

RENOMMEE large selection of imported & locally made dresses 503, Victory House 5 Wyndham Street. THE LIFT is installed.

CARPETS & RUGS—Genuine Peking and Tibetan, lovely designs and colourings, various sizes. Come and inspect at The China Rug Co., Kowloon Building, 4th Floor, (Opposite Hong Kong Hotel), Queen's Road, C.

CARS FOR SALE

1947 Ford "Perfect" Saloon, Excellent condition and appearance, owner-driven, done 7700 miles. Licensed and insured. Price \$4,750 Apply Box No. 573 "China Mail".

\$5,100 SPORTS 1½ Litre Sunbeam Talbot, all fittings, good tyres, snappy appearance. Excellent condition. Owner leaving Colony. Apply Box 540 "China Mail".

FOR SALE

KOLOK Typewriting Ribbons, \$2.30 each. Kolok Carbon Paper, \$10.80 of 200 sheets, American Blue-Red Pencil, \$2.25 per dozen and various stationeries at reduced prices. Obtainable at or sent on request Yiu San Company, General Printers and Stationers, 5, Tung Man Street, Tel. 20028.

AGAR-AGAR (Strip), all grades, available ex stock. Write for particulars to G.P.O. Box 779.

BABIES' and Infants' specialities toys, gifts, greeting cards, porcelain and decorated glassware. Special prices. Yuen Fong, 19-21, Hankow Road, Kowloon.

BILLIARD CLOTH Best West of England HK\$17.00 square yard Apply Dunlop Rubber Co. (China) Ltd. 2nd Floor, Matina House, Queen's Road Central, Telephone 31107.

INLAND REVENUE 1947 Ordinance with tables, at Ye Olde Printerie, Ltd.

COMPANIES ORDINANCE No. 39 of 1932, as amended by 29 of 1933, 24 of 1935, 15 of 1936, at Ye Olde Printerie, Ltd.

PENCILS per dozen, lead 1.25 & 1.70, blue checking 1.80, red checking 1.50 hard copying 2.50, at Ye Olde Printerie, Ltd.

PLASTIC-BACKED Carbon Paper, more expensive but does not curl and lasts much longer, at Ye Olde Printerie, Ltd.

OLD LIBRARIES Renovated in choice tropical and insect-proof materials, at Ye Olde Printerie, Ltd.

LOOSE-LEAF BINDERS made any size to accommodate company records or account sheets, at Ye Olde Printerie, Ltd.

PRINTING of every description executed with accuracy and promptness. Ring 21231 and our representative will call on you. Ye Olde Printerie, Ltd.

BRITISH STRING, in 1-lb. balls, thick, medium, fine, at Ye Olde Printerie, Ltd.

AIR PILOTS' Log Books, strongly bound in hard covers, printed on good paper, at Ye Olde Printerie, Ltd.

PLAYING CARDS and Bridge Scores with contract rules, at Ye Olde Printerie, Ltd.

CHILDREN'S PARTY CARDS in several designs, at Ye Olde Printerie, Ltd.

PILOT RADIOS: Same reliable pre-war quality now obtainable at popular prices, made possible only by increased demand and large sales. Allwave sets from \$240 each obtainable at all the better dealers or direct from: Colonial Agencies, Tescochoy Bldg, 14 Queen's Road. Phone 26310.

SCRIBBLING PADS—100 pages at 50 cents each. On sale at "China Mail" office, Windsor House, Tel: 52312.

HONGKONG & DIRECTORY (1948 Edition)—Containing Hong List, Government Offices, Hospitals, Schools, Churches, Consulates, Services, Clubs, Agencies, Who's Who, and Residences. All information complete to March 31, 1948. On sale at all leading Book Shops and "China Mail" Office.

WANTED TO BUY
WANTED Second Hand Portable Typewriter, preferably "Royal". Reply Box No. 562, "China Mail".

V. M. HAMMOND & CO., Buyers of Mineral Ores & Metals, 4th Floor Union Bldg, Room 405.

CARS FOR SALE
1947 Austin Commercial Truck for sale or monthly hire. Excellent condition, new tyres, licensed, insured. Apply P.O. Box No. 730.

ONE 1947 Morgan Sports Car 10 H.P. owner driven, done 11,000 miles, perfect mechanical order. Price \$6,000 Reply Box 569 "China Mail".

FORD V8 Roadster, recently thoroughly overhauled perfect running condition, 2 batteries, 4 new tyres, bargain \$4,500. Owner buying smaller car. Reply Box 575 "China Mail".

NEW 1946 Mercury Sedan, done 200 miles. Write Box 564, "China Mail".

THE NEWSPAPER ENTERPRISE LTD.
Windsor House
Telephone 22512

THE DAIRY FARM, ICE & COLD STORAGE CO., LTD.

NOTICE TO SHAREHOLDERS

Notice is hereby given that an Interim Dividend of \$1.20 per share of "Old" Shares and 90 cents per share on "New" Shares, both free of tax, has been declared in respect of the year ending 31st December, 1948, and is payable on and after 15th September, 1948.

Applications for Interim Dividend Warrants should be made either personally or by letter to the Registered Office of the Company, Mezzanine Floor, Windsor House.

The Transfer Books of the Company will be closed from 2nd September, 1948, to 15th September, 1948, both days inclusive.

By Order of the Board of Directors.

G. MILNE
Secretary

Hong Kong, 17th August, 1948.

HONGKONG TRAMWAYS LTD.

Notice is hereby given that an Interim Dividend of 55 cents per share less 10% Corporation Profits Tax has been declared in respect of the year ending December, 31 1948.

This dividend will be payable on or after Monday, September 13 1948, at the Registered Office of the Company, where Shareholders are requested to apply for warrants.

The Transfer Books of the Company will be closed from August 31 to September 13 1948, both days inclusive.

By Order of the Board,
W. H. PATERSON
Secretary

Hong Kong, August, 18 1948.

HONG KONG TRAMWAYS LIMITED

MONTHLY TICKETS

Monthly Tickets for the month of September may be obtained, as follows:—

New tickets for passengers not holding a ticket for the present month can be obtained only at the Traffic Office, Canal Road East, on and after 31st August.

Existing tickets can be renewed at the Traffic Office, Canal Road East, on the 25th and 28th August and from 2nd Sept.

Existing tickets may also be renewed at Queen's Building, Connaught Road Entrance, near Star Ferry, on 27th, 28th, 30th and 31st August and 1st September.

V. WALKER,
Acting General Manager.
23rd August, 1948.

GOVERNMENT OF HONG KONG MEDICAL DEPARTMENT

REMINDER

All registered nurses, who are not in Government service are reminded that their names will be excluded from the nurses register if the retention fee of \$2 is not paid before the end of September, 1948.

G. H. THOMAS,
Ag. Director of Medical Services.
Hong Kong, August, 25, 1948.

LAMBERT BROS.

Kentworth, Surveyors and Appraisers, Fadder Building, Telephone No. 20224.

Service Auction Rooms

Auctioneers, Surveyors, etc.
Dunlop, French Bank Bldg.
A. E. B. de Souza, Auctioneer.
Telephone 21597.

Terror Threats To Singapore

Singapore, August 28.
Major General D. Dunlop, General Officer Commanding Singapore, announced tonight that the State of Johore had now been placed under his Command.
This is regarded here as an indication that the authorities are taking further precautions against an outbreak of terrorism in Singapore Island.

General Dunlop forecast an intensification of terrorism in Johore, during September. He described it as one of the worst trouble spots in Malaya.

One band of well-equipped terrorists, estimated to be 300-strong, had raided an estate only 3 miles from Singapore Island 10 days ago.

Former members of the Palestine police had been sent to Johore to train and bolster the special constables on estate duty, he said. The utmost precautions were being taken in Singapore, he added.

The authorities were making constant raids and carrying out screenings and detentions under the emergency regulations.

Chinese To Register

The local President and Secretary of the Malay Nationalist Party in the North Malaya State of Kelantan, adjoining the trouble-torn State of Johore, were detained on Wednesday under the emergency regulations. It was officially announced here tonight.

They are Haji Mohamed Nor, President, and Ibrahim Wan Ismail, Secretary.

It was also officially announced that Chinese in Kelantan, excluding children under 12, must register before September 15 under the scheme instituted to check terrorism.

Ten Chinese villagers were killed when British aircraft from a North Malaya base bombed a village in the Naradhi district on the Malayan border on Monday, according to a report received in Bangkok today.

The report said the bombing lasted one hour—Reuters.

To Seize Japanese Trespassers

Nanking, August 28.
The Government yesterday announced a new set of regulations providing for the confiscation of Japanese fishing ships caught trespassing in Chinese waters.

The ship's catch and fishing equipment—also would be confiscated while the captain and crew of such a ship would be deported. At the same time, the Finance Ministry is keeping a close watch on reported China-Japan smuggling activities conducted by Chinese and Japanese. The smugglers on both sides were said to be Communists.

Reports received by the Ministry said the Communists are smuggling sea-weed and other commodities from Shanghai and North Korea to Japan—United Press.

NATURALIZATION NOTICE

Notice is hereby given that William August Adolph Hillwig of 11, Conquer Road, Hong Kong, is applying to the Government for naturalization and that any person who knows any reason why naturalization should not be granted should send a written and signed statement of the facts to the Colonial Secretary, Hong Kong.

IMPORT LICENSING OFFICER

REMOVAL OF OFFICE

For the convenience of the general public the Import Licensing Office of the Department of Imports and Exports, under Mr. E. E. O'Neil, will be moved to the premises of the former Ho Bank, Exchange Building, as from Tuesday, August 31, 1948. Telephone No. will be 39225 as at present.

W. J. WOLFE-FLANAGAN,
Ag. Superintendent,
Imports & Exports.
August 25, 1948.

HARRIMAN REALTY CO., LTD.

ALL TYPES INDUSTRIAL & DOMESTIC PROPERTIES
200, Queen's Road, Central, Hong Kong

Horthy ADC Arrested

Prague, August 28.
The Hungarian Security Police have arrested General Laszlo Magassy, former aide-de-camp to Admiral Horthy, the Hungarian News Agency said today.

The Security Department charged General Magassy with being the "leader of Fascist organizations" and of a post-war "conspiracy" and "Fascist terror organization."—United Press.

SEEDLESS WATER MELON

Washington, August 28.
The Science Service reports today that a Japanese scientist, Dr. Koshi Kihara, has answered one of America's summertime prayers—a seedless water melon.

The large red melon, one of the United States' delicacies, always presented a problem when eaten somewhat formally because of the hundreds of inedible seeds.

Now, according to reports from Japan, Dr. Kihara, a member of the staff of Kyoto Imperial University, has succeeded in developing a melon which will have one large seed and also a few white seeds resembling the cucumber.

Dr. Kihara told Americans about the project in a lecture tour of the United States en route to Japan after attending the International Scientific Conference at Stockholm—United Press.

Catholic Pilgrimage In Spain

Sanlúcar, Spain, August 28.
An estimated 100,000 Catholic pilgrims including hundreds of representatives from America and Western Europe crowded this ancient city and its environs today for the centenary of the apostle St. James, organized by the Catholic Action of Spain.

On the outskirts of the city thousands of small tents where youthful pilgrims were lodged, presented a picture of a huge military encampment. Highways leading into the city were crowded with pilgrims.

The pilgrimage to the city of St. James, the patron of Spain, was first planned in 1936 and postponed because of the Spanish civil war.

It was then further delayed by the world conflict which followed.—Associated Press.

Spy Catcher To Protect Royal Tour

London, August 28.
Britain's most famous wartime spy catcher, Deputy Commander Leonard Burt, will go to Australia and New Zealand in December to consult with local authorities on security arrangements for the Royal tour.

Deputy Commander Burt preceded the Royal Family to South Africa early last year to make arrangements for their protection. He also headed security arrangements for Elizabeth's wedding in London.

Among London's 3,000 special constables, Burt is the head of the special branch of Scotland Yard.

Stanford Kent, August 28.
Wife, Dorothy, Crick, former Captain of the Kent County Cricket Club, who has been married to Mr. John Crick, has announced in a statement that she is leaving the county cricket team.

CARNIVAL

By Dick Turner



"I'm worried, Hoskins! Nobody has asked for a raise this week!"

BARCLAY ON BRIDGE

By Shepard Barclay

"The Authority on Authorities"

COVER MORE THAN ALL

PERFECT PLAY for some contracts entails even more than providing for all the variations of play by the defenders from the cards they actually do hold. It also must cover the possibilities of every kind of holding they might conceivably have. To do this with certain intricate deals requires a type of mind which can keep quite a number of different factors under clear-cut consideration at the same time. Not all ordinary mortals possess such a mental power plant.

The latter card squeezed East. If he threw the club K, the 7 would be good, followed by two high diamonds. So he discarded one of his three diamonds. Thereupon the diamond A, K and 4 took the final three tricks. If you now figure on the other possible holding of East and West at the ultimate crucial stage, you will see that this form of play protected the contract against anything they could have possessed.

Tomorrow's Problem

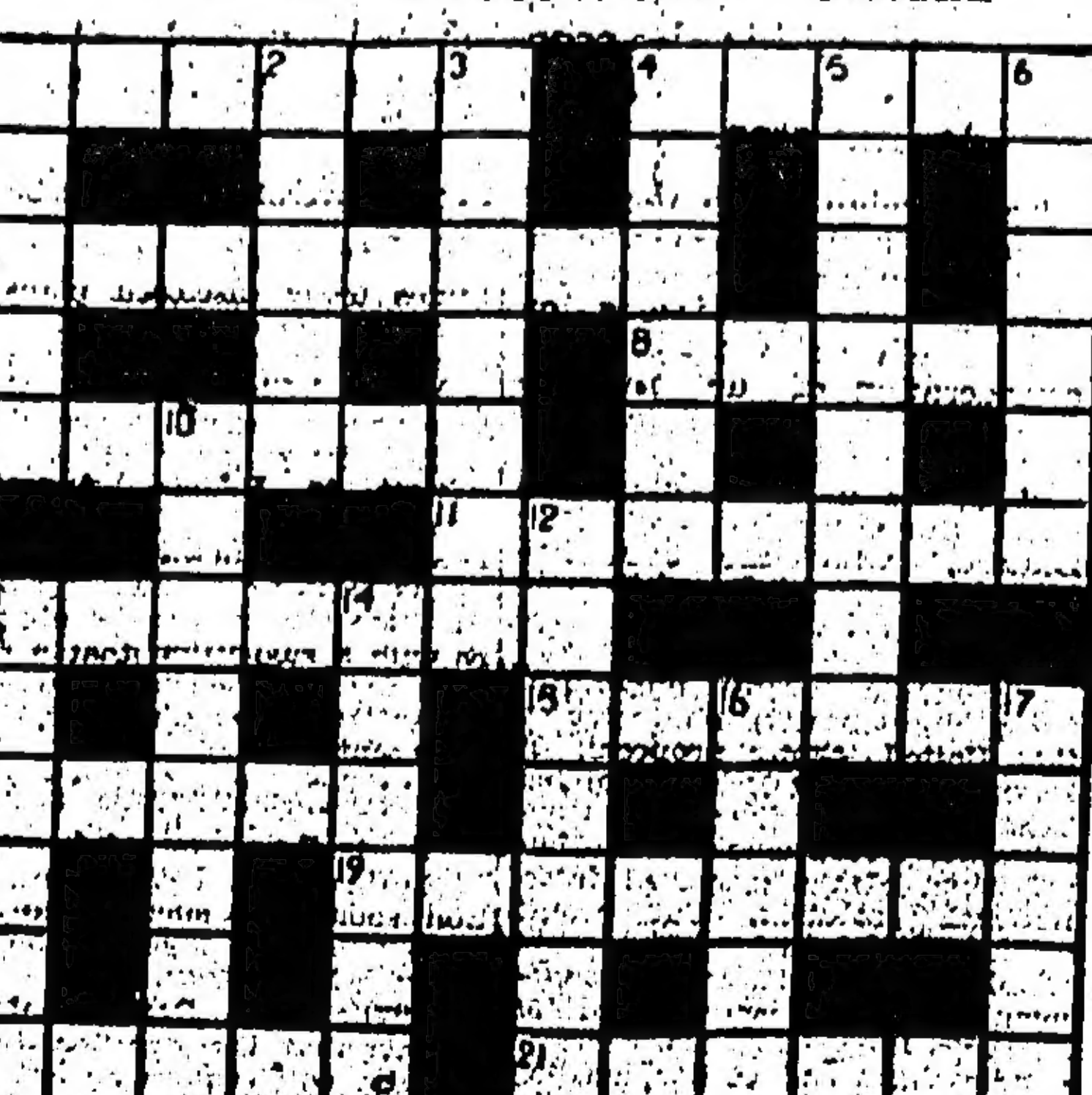
S Q 10 5
H 7 4
D 4 Q 10 6 2
C 9 4
S K 9
H A 10 9
D K 9 8 7
C 8 3

West led the heart 3 and put the declarer to work on a real task. He was equal to it, however, Morrie Ellis, who has won most of the national championship events. He figured East for the heart K from the lead, so put in the A. He finished the club Q and laid down the A. When West ruffed this he saw his work was cut out for him. The spade 4 was returned, the 7

(Dealer: North. Neither side vulnerable.)

What would you consider the most crucial defense against South's 4-Spades reached by natural bidding?

A BRITISH CROSSWORD PUZZLE



Clues Across

1 Summum (all quality)
4 Urge (13 Reduce in rank)
7 Plunder (13 Modern)
8 Cut up (13 Keen)
9 Assume (13 Reformed)
10 Position (20 Vicious)
11 Thunderer (21 Servant)

SATURDAY'S CROSSWORD

Across—11 Irides, 4 Despoils, 12 Ropes, 13 Anne, 14 Popular, 15 Mired, 16 Fume, 17 Gush, 18 Faded, 19 Solved, 20 Submerge, 21 Semi, 22 Dams, 23 Unpleasant, 24 Crill, 25 Heals, 26 Redress, 27 Cris

Clues Down

1 Open (10 Attractive)
2 Slugg (12 Brave)
3 Lured (13 Rejoice)
4 Summary (14 Delight)
5 Hold (10 Clever)
6 Cris (17 Hot drink)

LONDON TALKS ON FILMS

Eric Johnston Meets J. Arthur Rank

PROPOSAL FOR CONFERENCE

London, August 28.

The Hollywood movie envoy, Mr. Eric Johnston, has proposed a round table conference in Hollywood between top American and British film leaders to prevent an all-out war between the two.

Mr. Johnston said that the only alternative to a peaceful agreement would be for both sides "to gird on armour for an all-out war."

"It is a fact which we people in the film industry on both sides of the Atlantic should recognise that we have only touched 10 per cent of the world population with our movies."

"With a great market to be reached in the remaining 90 per cent of the world, there is room for expansion for both the American and British movie business. There is every reason for co-operation between Hollywood and the film makers here, but the British must realise that they cannot have both the protection of their home industry and a free world market as well."

Film Council?

According to Mr. Johnston, the British film companies, in order to meet the British Board of Trade quota figure of 45 per cent for British films, would be forced to turn out cheap "quickies" which could only do harm to the movie industry in the long run.

"I know that about 3,500 British movie theatres have applied to the Government to be allowed to take advantage of the relief clause permitting them to show more American movies than the quota allows, but I do not think that the Board of Trade is favourable."

In his conversations with Mr. J. Arthur Rank and other British film chiefs, Mr. Johnston had

suggested that the best way to avoid a trans-Atlantic movie war which could likely lead to other countries joining in with restrictions and quotas, is to get together around a conference table.

He is proposing that the idea of an Anglo-American film council, which never materialised, should take shape and try to iron out all the problems and he suggested a meeting of three envoys from each side in Hollywood.

In his discussions with representatives of the eight American companies in Great Britain, Mr. Johnston talked about the advisability of creating a single organisation over here for United States movies.

No Ultimatum

"It would be so much to our mutual benefit to work together instead of girding on our armour. All kinds of charges have been levelled at us—that we want to stifle the British movie industry and that we would use our profits to buy it up. They are all wrong. It's the last thing we want—to see the British movie business suffer."

The British complaint over the alleged boycotting of British films in America caused Mr. Johnston great surprise. "I had never heard about this supposed boycott until I came over here. I had some inquiries made and it appears that there has been some sort of boycott at about four theatres in New York. That is all I know about. The people doing the picketing are just a lot of kids and not much harm has been done."

There is no suggestion that Mr. Johnston is trying to present an ultimatum to the British movie industry. He is simply trying to get both the industry and the British Government to see that international protection and a world free market do not go together and that protection is a multilateral weapon and the best thing to do is to get down to business and "stop hocking at one another."

Mr. Johnston will confer with Mr. Harold Wilson, President of the Board of Trade, tomorrow at Oxford.—United Press.

LAKE SUCCESS MEETING

Lake Success, August 28. A special meeting of the United Nations Security Council will be held on Monday at 7.00 p.m. GMT to consider recent developments in the Palestine and Kashmir disputes, it was announced here tonight.

The Council will discuss the sending of military advisers to help the good offices committee in India. On Palestine question, the Council will discuss a cable from the Israeli Foreign Minister, Mr. Moshe Shertok, asking whether the Council would apply sanctions or other forms of redress against offenders of its latest resolutions on the Holy Land.—Reuter.

Auxiliary Of Communists

Sydney, August 28.

Mr. E. J. Ward Australian Minister for Transport and External Territories, has resigned from the Australian Society, after a declaration by the New South Wales Executive of the Australian Labour Party that the Society was an auxiliary of the Communist Party.

The Executive banned Labour Party members from remaining in the Society.—Reuter.

TWENTIETH CENTURY PLANS

Paris, August 29.

The Twentieth Century-Fox Company plan to invest over \$12,000,000 in 12 movies to be made in England, Sweden, Italy, Bizonia and perhaps Paris during the next year, Mr. Darryl F. Zanuck, Vice-Production Chief of the company, announced here yesterday.

In what he termed the "Marshall Plan for movies," Mr. Zanuck stressed that the American pictures to be made in Europe would have to be box office successes in the United States as well as in Europe and local markets would be chosen to fit the story and to attract the U.S. public.

He said the amount of frozen funds the company has in each country would not necessarily determine the locale of the movie, but the governments would have to be "sympathetic."

Mr. Zanuck said technicians, directors and actors would be chosen from America and Europe depending on suitability in each individual case. The movies would be made in black and white.—United Press.

ASSEMBLY AND WORLD PEACE

Geneva, August 28.

Dr. Herbert Evatt, Australian Minister for External Affairs, said here today that the United Nations General Assembly in Paris next month would be of crucial importance from the point of view of world peace and economic welfare.

He told correspondents that the Economic and Social Council, ending its seventh session here tonight, would occupy a major place in the Assembly's programme and its decisions would play a prominent part in the great struggle to achieve international peace and justice.

The Council had agreed to forward the draft conventions covering genocide, racial murder, human rights and freedom of information to the General Assembly for consideration, he added.—Reuter.

HUSBAND'S HOPES SHATTERED

London, August 28.

A letter received from the Foreign Secretary, Mr. Ernest Bevin, today shattered the last hopes of a young British husband of appealing against the two years prison sentence served on his Russian wife in Russia.

In a letter from Mr. Bevin which a Member of Parliament, Mr. Anthony Greenwood, forwarded to Mr. William Greenhalgh of Middlemore, Lancashire, Mr. Greenhalgh read that Mr. Bevin "regretfully decided that it would do no good to make further representations on the subject to Moscow at present."

Mr. Greenwood added: "It is iniquitous that these women (Russian wives of British subjects) are not allowed to join their husbands."

"The Soviet authorities have shown a very mean spirit in their attitude towards these wives and lately have done their utmost to persecute them."

Mr. Greenhalgh was informed by the Foreign Office of his wife's sentence early this month.

She had been arrested in May on three charges: attempting to bribe a Soviet official, offences against the Soviet registration law and fraud with intent to deceive.

The wife was married in Archangel in October 1945. The next day, Mr. Greenhalgh, who was stationed there as a naval telegraphist, left for home.

He has not seen his wife since.—United Press.

Ballygawley, August 28.

Sir Basil Brooke, Premier of Northern Ireland, said today that if Eire wanted to play a "worthy part" in international affairs, she could do so without any change in Northern Ireland's constitutional status.

"Ulster was to blame for Eire's neutrality in the last war."

Sir Basil said that he had noticed that Mr. Costello on landing in New York was reported to have said that Eire would be willing to enter into an agreement with the United States and Britain for strategic purposes to maintain peace but would not consider such an agreement as long as there was partition in Ireland.

"This is just one more of the many attempts made during the last quarter of a century to use northern Ireland as a pawn in Eire's political game," Sir Basil said.

"Mr. Costello is following the footsteps of Mr. De Valera (former premier of Eire) and trying his best although without success, to persuade the world that Ulster was to blame for Eire's neutrality in the last war."

Self-Centred

"That neutrality deprived the Allies of the use of the Eire ports and cost many hundreds of British and American lives during the battle of the Atlantic."

"It had nothing to do with partition," the Northern Ireland Premier continued. "Indeed, members of the De Valera Government attempted to justify neutrality on the grounds that other nations which had not been attacked by Germany or Japan had remained neutral and that Eire claimed the right to stand aloof during the struggle if she herself were not the victim of direct aggression."

"That attitude, based on a self-centred view of a nation's responsibilities in the face of a world crisis, contrasted sharply with Northern Ireland's participation in the war."—Reuter.

THE AGA KHAN

Dar-Es-Salaam, August 28. The Aga Khan, recuperating here from a chill, will leave by air for Switzerland next Tuesday or Wednesday with his wife, Begum.

The proposed visit of the Aga Khan to Nairobi has been cancelled. Although his health has improved considerably in the last few days his doctors feel that he should return to Europe as soon as possible.—Reuter.

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DEATH

BIRCH—At the Queen Mary Hospital, on the morning of August 29, 1948, after a short illness, Pauline Armstrong, beloved wife of Bernard G. Birch, M.A., Reader in English at the University of Hong Kong, died at the age of 40. Her funeral will be held at the Colonial Cemetery, at 5 p.m. Monday, August 30.

ASSEMBLY OF EUROPE

The idea of a European Union and in particular a European Assembly emerges more clearly from the publication of the Attlee-Churchill letters. The Prime Minister's letters mark a step forward in His Majesty's Government's approach to the movement which was formally launched at the Hague Congress of Europe last May. At the outset, Mr. Attlee stressed that he was "in sympathy with the basic idea behind the movement," but thought the proposal to convene a European Assembly required thorough examination and orderly and prudent advance if disappointments and setbacks were to be avoided. For their part, His Majesty's Government, before committing themselves to a definite line of policy must consult the other governments of the British Commonwealth. Such a consultation would serve two interests: firstly, those of the Commonwealth since the "whole question has an important bearing on Commonwealth relations"; and, secondly, those of Western Europe to which the goodwill, unity and support of the whole British Commonwealth is a major source of strength. Between now and October, His Majesty's Government will themselves examine a scheme which has been submitted in the form of a memorandum by the International Committee for Co-ordination of Movements for the Western Union. This memorandum was the immediate topic of the Attlee-Churchill correspondence. It recommends an advance in three stages. Firstly, there should be a preliminary conference not later than next November of the five Brussels Treaty countries nominated by their respective Parliaments. Secondly, the five Governments having conferred together about these recommendations should jointly summon and organise a European Assembly. Thirdly, the European Assembly should meet not later than next January. Its principal function for the moment would be to consider practical measures to secure the progressive political and economic union of Europe and make recommendations for action to the governments of the countries represented.

BRITAIN'S DOLLARS

AMERICA TAKES A THIRD LOOK

Britain's sterling area is just now adding to the problem-load of Marshall Plan administrator Paul Hoffman.

This is the trouble: Control of the sterling area means Britain's control over one-third of the world's trade. Her clients are as Britain herself.

She is desperately short of dollars even with Marshall Aid, but as banker for the sterling area she has to keep her clients satisfied.

He Got Less

Banker Hoffman is desperately short too. Before John Taber's committee swung their axe he told Congress that the job of putting Europe back firmly on its economic feet could very well take more than the billions allotted.

The budget trimming he has had to do since his appropriation was cut has forced him to look twice at every dollar to make sure that it will produce the recovery results he needs.

Now Washington gossip has it that he is taking a third look at the dollars that go into Britain, because he knows he is going to have a hard time explaining to some of the less friendly members in House and Senate how it happens that Britain is taking dollars under the Marshall Plan on the one hand and passing dollars out to sterling area countries on the other.

"They're not the same dollars," stress the British experts. But it's a little difficult to explain that to the Americans, that break-up of

LABOUR LOSING GROUND?

A test of public opinion made by the magazine "Picture Post" shows roughly equal political division in the country with a definite bias against the Labour Party in internal politics but wide agreement on foreign affairs. Of the 83 per cent who gave an opinion, 48 per cent said they would vote Conservative, 39 per cent Labour and 13 per cent Liberal. Except on one important point, the survey is not much help in explaining this apparent shift against Labour. There was pretty general agreement between the parties on things

MARSHAL TITO NEEDS BRITAIN'S AID

Marshal Tito will seek Anglo-American aid before the first snows of winter blanket Yugoslavia. This is the belief of scores of fugitives from Yugoslavia arriving in the Free City of Trieste.

In the past few days I have spoken to many of these Yugoslav refugees, from college professors to dock stowaways. I was allowed free access to the Trieste displaced persons camp by the Allied Military Authorities here, with the understanding that I would not mention the names of the persons interviewed, or their method of escape across the frontier—which might endanger other persecuted persons following.

Every one of these refugees, who a few days previously had risked his life crossing the heavily-guarded Yugoslav-Trieste frontier, had, naturally, a burning hatred of Tito.

But all admitted that Tito is still the undisputed ruler of Yugoslavia. As a wartime resistance leader against the Germans Tito still is the popular hero with a part of the population, especially the uneducated villagers.

Tito's recent break with the Kromlin, they say, has increased his popularity inside Yugoslavia where the Russians are hated.

Since the end of the war Russian experts, technicians, businessmen have swarmed over Yugoslavia in big cars, picking the country clean.

Here, according to the Yugoslav refugees, lies the reason behind the Yugoslav-Soviet break.

A dock stowaway from the port of Plume, on the iron stove in the D.P. camp as he shouted, "There were loading Russian ships with our best wheat while we ate bread as black as this stove."

During the past year this stowaway had helped load dozens of Russian ships with Yugoslav grain, wine, sugar, tobacco, timber and minerals.

All he saw arrive from Russia during this period was a few hundred synthetic rubber motor-car tyres ("what good are tyres when we have no petrol?") and a load of pepper ("not much use when we hadn't tasted meat in months").

Every refugee held the opinion that this Russian one-way-aid programme, all take and no give, began the friction between the Yugoslav communist party and

Even if Marshal Tito continues to keep his workers on a near starvation diet he must have at least petrol and machinery from the West to complete his pet project. To understand Tito's dilemma—which may force him to appeal for aid from countries whose way of life he detests—one must know briefly what Tito is trying to accomplish inside Yugoslavia.

Marshal Tito is attempting, through his Five Year Plan, to transform one of the most backward countries in Europe from an agricultural to an industrial community.

Yugoslavia before the war was a country with few industries or factories, and its roads were visiting motorists' nightmares.

There the 350 mile road between the country's two main cities, Belgrade and Zagreb, was so bad that car owners used to send their cars by rail rather than drive along the pot-holed road when visiting one city from the other.

Today a new road has been built by "volunteer" labour squads, part of the Five Year Plan. Many Britons worked on this and other roads in Yugoslavia. I have seen them passing through Trieste. University students, sold on the Communist idea, and dirty and shabby and yet hammer and sickles in their lapels. They work during their holidays on the Yugoslav roads when they might be better employed labouring on Britain's farms.

Such people are not leaving their villages and risking their lives to escape from Yugoslavia. The fugitives I spoke to were educated persons, students (who see communism in a different light from the visiting British students), persons with relatives abroad, and those independent types who find in every country who cannot tolerate being pushed around.

Today the peasant works for the State, building a new road, or factory, with no choice, in the matter, before the war he lived a self-like existence, working for a rich landlord.

Such people are not leaving their villages and risking their lives to escape from Yugoslavia. The fugitives I spoke to were educated persons, students (who see communism in a different light from the visiting British students), persons with relatives abroad, and those independent types who find in every country who cannot tolerate being pushed around.

One man I spoke to was a middle-aged farmer who had left behind a small, once prosperous farm. He had brothers in Canada, U.S.A. and a few months ago managed to smuggle his wife out of Yugoslavia to the States. The other day he left his two small children in the care of friends, bought a railway ticket from his village just north of Belgrade to a town near the frontier. He jumped off the train as it was moving at night and, after some days, with the help of friendly farmers, made his way over the frontier.

This farmer showed me the railway ticket, one of the few souvenirs of a lifetime's work in Yugoslavia.

Asked why he left he said he couldn't stand the hard work of crops to sow on his farm. Then when he had been ordered to grow a crop unsuitable for his soil being bullied for not raising a large enough harvest.

Meanwhile in Yugoslavia itself, according to the latest fugitive to come into the D.P. camp from over the frontier, life goes on its grim course. Detachments of the Yugoslav Army and armed police, still firmly backing Tito, are in every town and village.

Under such conditions any underground movement is difficult. The majority of the people will continue to tolerate Tito's totalitarian regime—especially if it will bring them white bread from American flour, corned beef and spam.

BRITAIN'S DOLLARS

AMERICA TAKES A THIRD LOOK

The sterling area would be calamitous for Britain and for world recovery in general.

He is sympathetic to anything likely to promote trade and recovery anywhere. But he is actually committed to doing it only in Europe.... committed, moreover, with too few dollars.

In these circumstances he cannot be blamed for trying to keep his dollars working for recovery where he is responsible for it—that is to say, in Europe. And for keeping the tabs on those dollars so that they work only for European recovery. But—and here is his problem—how can he keep

By Iris Carpenter

ing Europe back firmly on its economic feet could very well take more than the billions allotted.

The budget trimming he has had to do since his appropriation was cut has forced him to look twice at every dollar to make sure that it will produce the recovery results he needs.

Now Washington gossip has it that he is taking a third look at the dollars that go into Britain, because he knows he is going to have a hard time explaining to some of the less friendly members in House and Senate how it happens that Britain is taking dollars under the Marshall Plan on the one hand and passing dollars out to sterling area countries on the other.

"They're not the same dollars," stress the British experts. But it's a little difficult to explain that to the Americans, that break-up of

like military conscription, establishing the Western German state and forming a military alliance with United States, while almost everybody agreed on increasing old age pensions. On British recognition of the Jewish state, 34 per cent of the whole were in favour, 25 per cent against and 41 per cent undecided. But on the nationalisation of iron and steel, the proportions were: 23 for, 45 against, 27 undecided. The Labour Party seems to be paying a high price for continuing to advocate steel nationalisation, but it is too early to say what will be the issue at the next election.

RESHUFFLE IN RUMANIA

Bucharest, August 28.—In a reshuffle of the Rumanian Cabinet, announced tonight by the Rumanian news agency, Dr. Vasile Maras, Rumanian Minister to Belgium, has been appointed Minister of Health in place of Dr. Vintila. Bogdan, who has been given another post.

Dr. Eduard Mironescu, Secretary-General of the Ministry of Foreign Affairs, is Minister of Agriculture and Information, replacing Dr. C. Popescu. Deputy Minister of Industry has been appointed Deputy Minister of

INSIDE INDIA

Twins Thunder At Each Other

After one year of independence India is in the level month of undeclared war against Pakistan in Kashmir, has warned Pakistan that hostilities may become open and declared, has adjourned indefinitely all economic negotiations with Pakistan and is thundering at the gates of Hyderabad State. The truth is that we are so used to thinking of India as one

By Josselyn Hennessy

country that we forget that it is a subcontinent inhabited by a diversity of peoples speaking twelve major languages. Before the arrival of the British no single state had ever effectively ruled from Peshawar to Cape Comorin and if we had never gone there, India would doubtless have continued to be divided among scores of states, as is Europe to-day.

For a hundred years we were able to impose peace over an area as large as Europe without Russia because we had the power.

Struggle Resumed

With our impending departure, the struggle for power that we had been strong enough to quell surged forth once more.

The first round showed that neither Hindu nor Muslim was strong enough to hold the other down, so Pakistan and India emerged as separate states.

Jinnah in Pakistan and Nehru in India are struggling against further splits.

Fuller different ways in western Pakistan are the frontier, Pathans, Sindhis and Punjabis, crisscrossing these is the struggle between Kafachi, which seeks a modern, non-religious state, and Lahore, which aims at replacing western civilization by traditional Islamic law and customs, not excluding the strict veiling of women.

Across the North-West Frontier the Pathans of Afghanistan would like to "liberate" the Pathans of Pakistan, while further north the Russian bear is ready to stretch out his paw if the waters become sufficiently troubled.

Inexperienced

Inside India some 500 states have within the past year been forcibly turned into "democracies."

This means that instead of Princes, who at least governed, however feudally, they have in office lawyers experienced only in political agitation.

Already ineptitude of the Kohlapur States "popular representatives" has led in a total breakdown of government and a reversion to one-man rule by an administrator appointed by the Indian Government.

Discontent among the Princes is widespread, and many would attempt a rebellion if a real war between the two Dominions gave them a chance.

Frustrated and disgruntled also are six million warlike Sikhs, who feel that they have had a raw deal from both Dominions.

Further strains must arise when yielding to provincial "nationalism."

Such established units as the Madras Province are broken up into new provinces based on common languages instead of administrative convenience.

Barring a small strip Kashmir borders Pakistan; her Muslim majority is ruled by a Hindu minority; so that friendship with Pakistan, not India, is her obvious necessity.

India throughout a brigade could easily mop up the unarmed Kashmiri Muslims who were in rebellion against their Hindu ruler.

But Pakistan regarded India's occupation of Kashmir as a threat of encirclement. Look at a map and you will see why.

Pakistan, therefore, actively aided the rebels—an intervention which changed overnight the strategic situation throughout the subcontinent.

Before India saw where she was going she had, not one brigade, but three divisions locked up in Kashmir and a fourth precautionarily on the Pakistan frontier.

Because Hyderabad lies in the heart of India and her Hindu majority is ruled by a Muslim minority, friendship with India is vital.

The Kashmir-war, however, set the Nizam thinking; it was one thing for India to rule the suburbs of smaller states, but the Nizam, ruling an area as big as the United Kingdom, with a population of seven millions, felt strong enough to play a hand in the struggle for power.

While dilatorily negotiating, he has been gun-running on a big scale and raised his army to 40,000.

To counter this threat India is reported to have her last two immediately-available divisions tied up around Hyderabad.

India's army is thus spread so thin that she has borrowed ten Gurkha battalions from Nepal and, launched a big recruiting campaign.

Many believe that if Pakistan and Hyderabad acted together, they might secure a quick victory before India had time to complete the mobilisation of her greater resources.

The real trouble about a war between India and Pakistan is that whichever won would not have the strength to hold down the hostile population of a beaten Dominion; the result would simply be widespread chaos—an excuse for Russia to "restore law and order" which in turn would involve Britain and America in a new crisis.

Courting Support

Behind the scenes to-day each Dominion courts British support in combating its neighbour. Each believes that Britain is anxious to keep it in the Commonwealth and hints that it will quit if that support is not given.

But the Commonwealth is a mutual benefit society, to which each member makes its contribution. If Pakistan and India would co-operate they could overcome the warring forces within each and steadily consolidate themselves into powerful and welcome Dominions.

But they seem unaware that their quarrels render them such a liability that their departure would be regarded by many British and Dominion authorities as ridding us of an embarrassment.

AMERICAN PROFITS RISE

Washington, August 28.—Manufacturing corporations in the United States had a net income of U.S.\$2,000,000,000, during the past three months.

A Government survey showed profits went up U.S.\$200,000,000 despite a U.S.\$1,100,000,000 drop in sales from the preceding quarter.

The Federal Trade Commission and Securities and Exchange Commission, in a combined report said the higher profits reflect "a drop in costs and from pennies which more than offset lower sales."

The report said sales totalled U.S.\$40,000,000,000. Overall production costs and expenses were cut U.S.\$1,500,000,000.

The report showed profits of small corporations continued to drop sharply while larger companies increased their profits. Highest profits were made by corporations whose assets exceeded U.S.\$100,000,000. Profits were higher in all instances in relation to investment and sales.

Greatest profits in ratio to investment and sales was shown by rubber products and food companies. In the next group were textile mills, wood products, petroleum and coal products.

Total assets of all corporations were set at U.S.\$100,000,000,000. Working capital was U.S.\$38,000,000,000, an increase of U.S.\$1,500,000,000. Property plant and equipment was listed at U.S.\$44,000,000,000. Associated Press.

WHEN POLICE FALL OUT

In a bomb-damaged 50-year-old former German Army barracks in Berlin's Friesenstrasse, in the American sector, Dr. Johannes Stumm, the new police chief appointed by the City Council, has set up his headquarters.

All his dossiers, his finger-print files, and most of his records have remained behind in the former headquarters, at 87, Elsenstrasse, in the Russian sector. And there his predecessor, Colonel Paul Maier, ousted by the City Council, continues in office under the protection of the Soviet authorities.

Requests for information and co-operation on pending cases are ignored by the Markgraf people, I was told at the Friesen barracks this afternoon.

Interception

"Our teleprint messages to police stations in the Russian sector are intercepted, and eight of our people have been arrested and put in the police prison in the Dirschstrasse in the Russian sector."

"We have to build up again everything we brought into being after 1945, before which most of the police records were burnt. A superintendent told me: 'Still we have at least got sufficient patrol cars and technical equipment.'"

Stumm has 10,000 police men under his command, and no fewer than 400 members (or 70 per cent) of the administrative branch—all the worth-while men—have come into the Western

sector to work for him, although many have to go back home into the Russian sector every night and risk arrest by their former colleagues.

Concentration

Most of the uniformed police had received instructions to remain at their former stations and carry out their normal patrol work, but others have to work exclusively in the Western sectors.

Markgraf is left with 5,000 police in the Russian sector. And Communist heads of departments remain with him. They are concentrating on "a purge" of the remainder of the force.

Deprived of most of the brains, the Russian puppet police are concentrating on building up a body of 100 per cent members of the Socialist Unity Party. Those considered politically unreliable are sacked and a number have been "directed" into work in the slave-worked armament mines in the Erz Mountains.

The great thing to realise about this situation is that Scotland Yard had to move to Ealing, leaving a "sailing" sheet of police to terrorise the West. And is that the German authorities have taken this course entirely of their own accord?

Our representatives in Moscow would do well to keep in mind the sort of vengeance which awaits anyone who dares to give the side of the "other" side.

RESHUFFLE IN RUMANIA

Bucharest, August 28.—In a reshuffle of the Rumanian Cabinet, announced tonight by the Rumanian news agency, Dr. Vasile Maras, Rumanian Minister to Belgium, has been appointed Minister of Health in place of Dr. Vintila. Bogdan, who has been given another post.

Dr. Eduard Mironescu, Secretary-General of the Ministry of Foreign Affairs, is Minister of Agriculture and Information, replacing Dr. C. Popescu. Deputy Minister of Industry has been appointed Deputy Minister of

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DE GAULLE BID FOR POWER

Expected To Denounce "Third Force"
Confident Of Success In
General Elections

Paris, August 28.

General Charles de Gaulle, spurred by the downfall of M. Andre Marie's middle-of-the-road Government, will unleash shortly an all-out campaign for his own return to power.

SACRIFICE MAN WAS LUNATIC

Hamburg, August 28.
A Latvian refugee who was arrested when about to sacrifice two small children to Jehovah to save his followers from the impending end of the world, has been certified insane and sent to a lunatic asylum.

The refugee, named Pagatzki, lived with his wife, two sisters-in-law and the 12 children of the three women in the village of Nuthorn, near Oldenburg, in the British Zone.

On Saturday, August 14, Pagatzki and his family held an all-night prayer meeting at which they worked themselves to a state of religious frenzy.

Pagatzki, holding an axe and a large knife, told a crowd of villagers the following day that the world would end the next day and that, to please God, he was going to sacrifice two children at sunset.

The police were called in and they charged the house through a hall of flower pots and kitchen utensils in time to rescue the children who are now in an orphanage.—Reuter.

MASS 'BOMBING' OF U.S. CITIES

Washington, August 28.

Fifty U.S. bombers based in Asia, Oceania and Europe will converge on the U.S., with cities as targets, in the greatest mass co-ordinated flights ever attempted against the United States on September 18.

The planes will take off from Furstenfeldbruck in Germany; Misawa in Japan; Keflavik in Iceland; Barber's Point, Hawaii; St. George in Bermuda; Goose Bay, Labrador; and Shemya Island, in the Aleutians. Their feat will mark the celebration of Air Force Day.

The flights will all be non-stop and will range in distance from 2,800 to 6,000 miles. Twenty-five U.S. cities will be the targets, with two planes going to each city.

The Air Force said the project will involve the greatest number of aircraft ever to participate in simultaneous individual operations on a worldwide basis. The flights will be long-range training missions beginning September 17 and running into September 18, which is Air Force Day. It marks the date in 1947 when the Air Force became a co-equal member of the national military establishment.

From Japan

Two flights will originate in Misawa, Honshu Island, Japan. The first will be aimed at Seattle, covering 4,491 statute miles, while the second will be aimed at Minneapolis, a distance of 5,666 miles.

Close associates of France's wartime resistance leader told the United Press that General de Gaulle is convinced that "Third Force" Government in France is done for.

He believes that now is the time to make a hard-hitting bid to return to power.

It is expected that the General would issue a statement denouncing the present "Third Force" regime and demanding the dissolution of the National Assembly and holding of nationwide General Elections.

He said that he is confident he could ride to power with at least 41 per cent of the popular vote. One thing considered by General de Gaulle and his supporters, it is learned, is the issuing of propaganda stickers to be attached to letters. The purchasers of the stickers would each be asked to write a letter to the General at his Colombes-les-deux-Eglises country home demanding dissolution of the Assembly and calling for General Elections.

General de Gaulle's aides pointed out that if even half a million persons sent the letters, the whole French postal system could be choked.

Red Appeal To Socialists
Meanwhile, President Vincent Auriol saw M. Edouard Harriot and M. Gaston Monnerville, presidents of the National Assembly and the Council of the Republic, respectively. He also conferred with M. Maurice Thorez and M. Jacques Duclos, France's two top ranking Communists.

Other possibilities were that M. Schuman (Popular Republican) or even M. Marie himself might be called on to try. In any event, President Auriol is expected to continue his talks throughout the week-end and it is thought unlikely that he would designate anyone to form a Government earlier than tomorrow night or Monday.

Politicians of the middle-of-the-road parties and several Paris afternoon papers predicted gloomily that if the crisis dragged on for several weeks without anyone being able to form a workable Government, President Auriol might be driven into dissolving the Assembly and calling for General Elections.

This would open a way to General de Gaulle and a possible bloody civil war between the de Gaulle forces and the Communists.

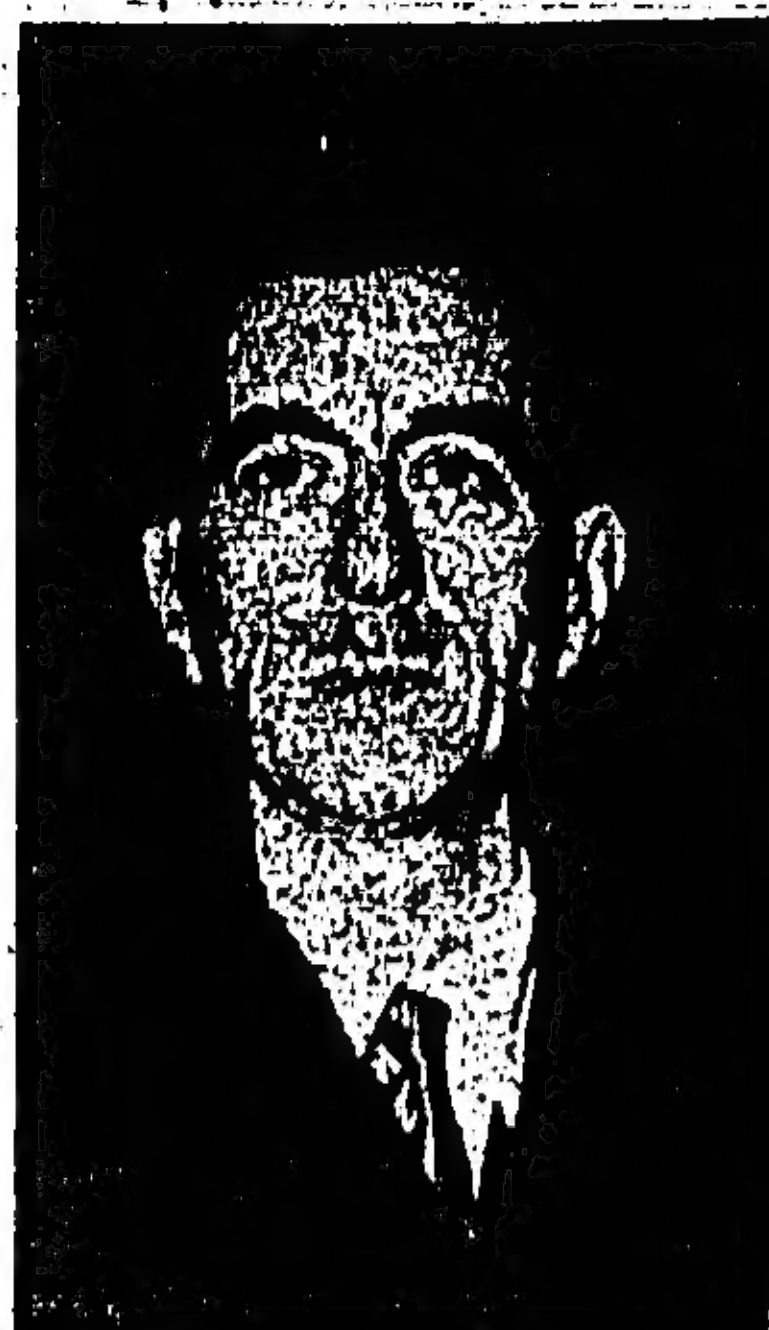
Normally, the Socialists, whose opposition to M. Reynaud's drastic economic recovery programme brought the Marie Government toppling, would be named to try to form another Cabinet. The Paris Bourse closed as usual on Saturday but the Government's crash caused panic among unofficial and black market dealers.

The price of gold soared 200 points during the morning and dealers refused to sell more than 15 gold 20-franc coins at a time. A 20-franc piece is changing hands at 4,755 francs compared with yesterday's 4,600 to 4,650.

There was widespread talk that the Finance Minister, Paul Reynaud, whose drastic economy recovery programme brought about the Marie Government's downfall, might be succeeded by Pierre Mendes France, who is a radical. Mendes France is a well-known advocate of the tightest economic control and if he became Finance Minister it would mean a total about-face from the Reynaud policy of lifting Government controls.

Pessimism was increased by a statement early this morning by the Radical, Yvon Delbos, Minister of Education in the Marie Cabinet, that his group would not participate in any Government headed by a Socialist.

Duclos called for more trade with Eastern Europe in a move to "defend our monetary system against manipulations the American millionaires want to impose on us."—United Press.



GENERAL DE GAULLE

ex-premier, M. Paul Ramadier, is regarded as the most likely choice.

Radicals Bitter
However, the Radicals are bitterly resentful of the Socialist action. M. Yvon Delbos, Radical Minister of Education in the Marie Cabinet, declared: "We shall not forget the attitude of the Socialist Ministers. We shall not agree tomorrow to join any interim Government or a Government of reconciliation."

If the Radicals with their 54 Assembly votes remain obdurate, the formation of another "Third Force" coalition Government commanding the necessary 310 Assembly votes would be impossible.

The final cause for the split in the Marie Cabinet, it became known tonight, was the refusal by the Socialists to accept the wage price sections of the Reynaud recovery plan.

With the Communist Party and the labour unions clamouring for a general increase of in the cost of living, the Socialists were driven into joining the wage boost campaign for fear of losing control of the non-Communist unions.

M. Reynaud's plan envisaged the general lifting of Government controls on salaries and return to free bargaining in the near future. In the meantime, he planned to offer workers a high cost of living allowance of 1,000 to 1,500 francs monthly.

The Socialist Cabinet Ministers would take nothing less than an overall 15 per cent wage increase. They threatened to leave the Cabinet on this issue, but were forestalled by M. Marie's announcement of the resignation of the entire Government.—United Press.

PANIC IN PARIS BLACK MARKET

Paris, August 28.

President Vincent Auriol today cancelled all his appointments to concentrate on solving the crisis that might mean the end of middle-of-the-road government in France.

The Paris Bourse closed as usual on Saturday but the Government's crash caused panic among unofficial and black market dealers.

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BRITISH P.O. BREAKS A WORLD RECORD

Tardart, Argyllshire, August 28.
A British petty-officer today established a world record dive by descending 535 feet into Loch Fyne from the submarine rescue ship Reclaim, which for more than two months has been the centre of deep-diving tests.

The diver, 29-year-old Petty-Officer W. Dillard, of Leices-ter, was wearing a special diving suit and fed with oxygen and helium instead of air during the experiment, which was staged to perfect a diving suit in which rescuers can work comfortably at about the depth a submarine reaches in a crash dive.

The former record of 400 feet was held by the United States and was also smashed by another diver who reached 451 feet.—Reuter.

WAR OFFICE SILENCE ON THREE MARSHALS

London, August 28.

British officials refused today to clarify the case of four German military commanders who, the Government announced yesterday, are to be brought to trial in Germany as war criminals. The War Office issued the announcement of the impending trial after three years imprisonment of Field Marshals Gerd von Rundstedt, Elch von Manstein, Walter von Brauchitsch and Col. General Adolf Strauss.

But it declared today that it was acting only as a distributing medium for the declaration and that the announcement was prepared "by the Government." There was no answer at either the War Office or the Foreign Office to the question what was meant by "the Government". Information was not available at the office of the Prime Minister, who is now in hospital for treatment of cancer of the feet.

British newspapers, which for the past two weeks have been protesting against the continued imprisonment of the German war leaders, received the War Office announcement with little enthusiasm.

The questions newspapers asked today included: What war crimes are alleged against the four? Why did the Government wait three years to decide to bring such charges? Why are the four to be demilitarised? What nations or nation is preferring the charges?

The London Times, asserting that the fact that the men are now to be brought to trial "suggests that the British Government is in possession of evidence of their conduct during the war," concluded that "any comment on their actions or their record would now be improper."

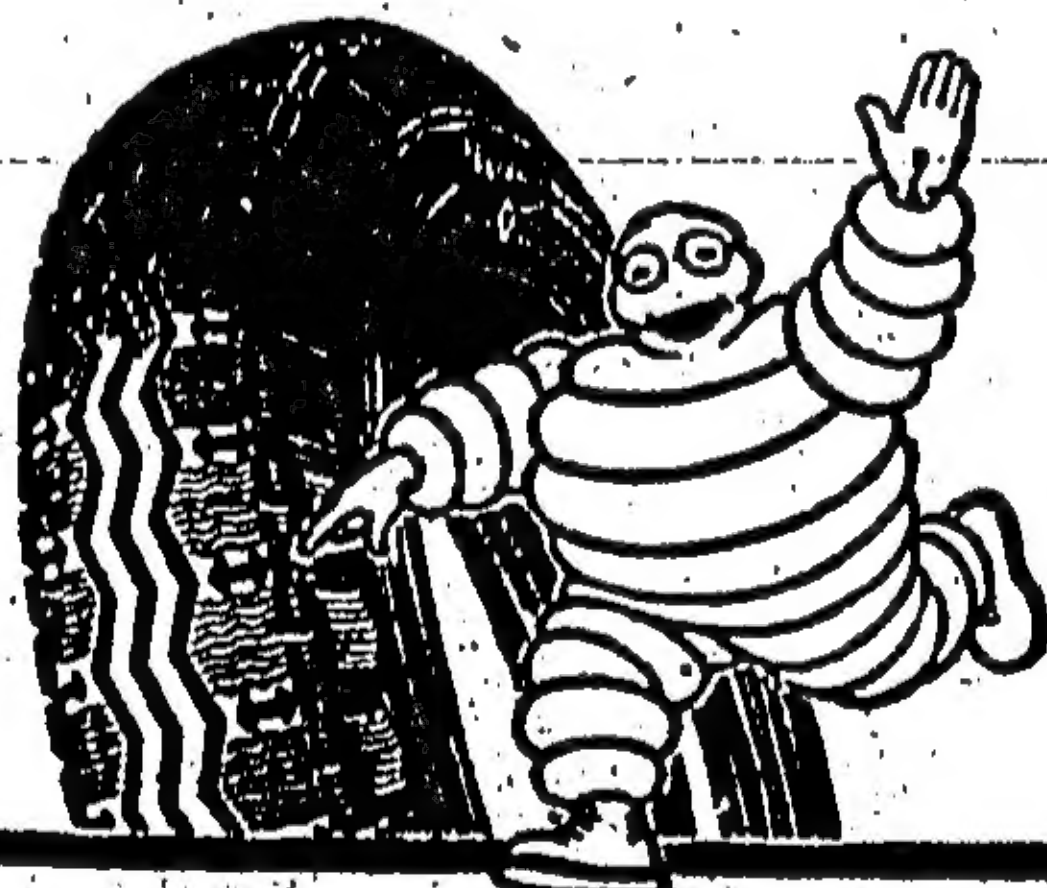
Something Unsavoury
But it added sharply that the "manner in which the case has been handled can be legitimately censured."

SYRIAN POLICY IN PALESTINE

Damascus, August 28.

The new Syrian Cabinet formed by Jamil Mardam Bey last Monday faced Parliament for the first time tonight when a statement of policy was read declaring that Syria would "continue the struggle against Zionism with the other Arab States until final victory."

It asked Parliament to comply with all demands for the necessary expenses. The new Government expressed its hope in the United Nations, in spite of the many disappointments which, it said, the Arab countries had had to face in the past. It also affirmed its desire to strengthen the Arab League, which, it declared, had demonstrated Arab unity by the participation of all the Arab armies in the Palestine struggle.—Reuter.



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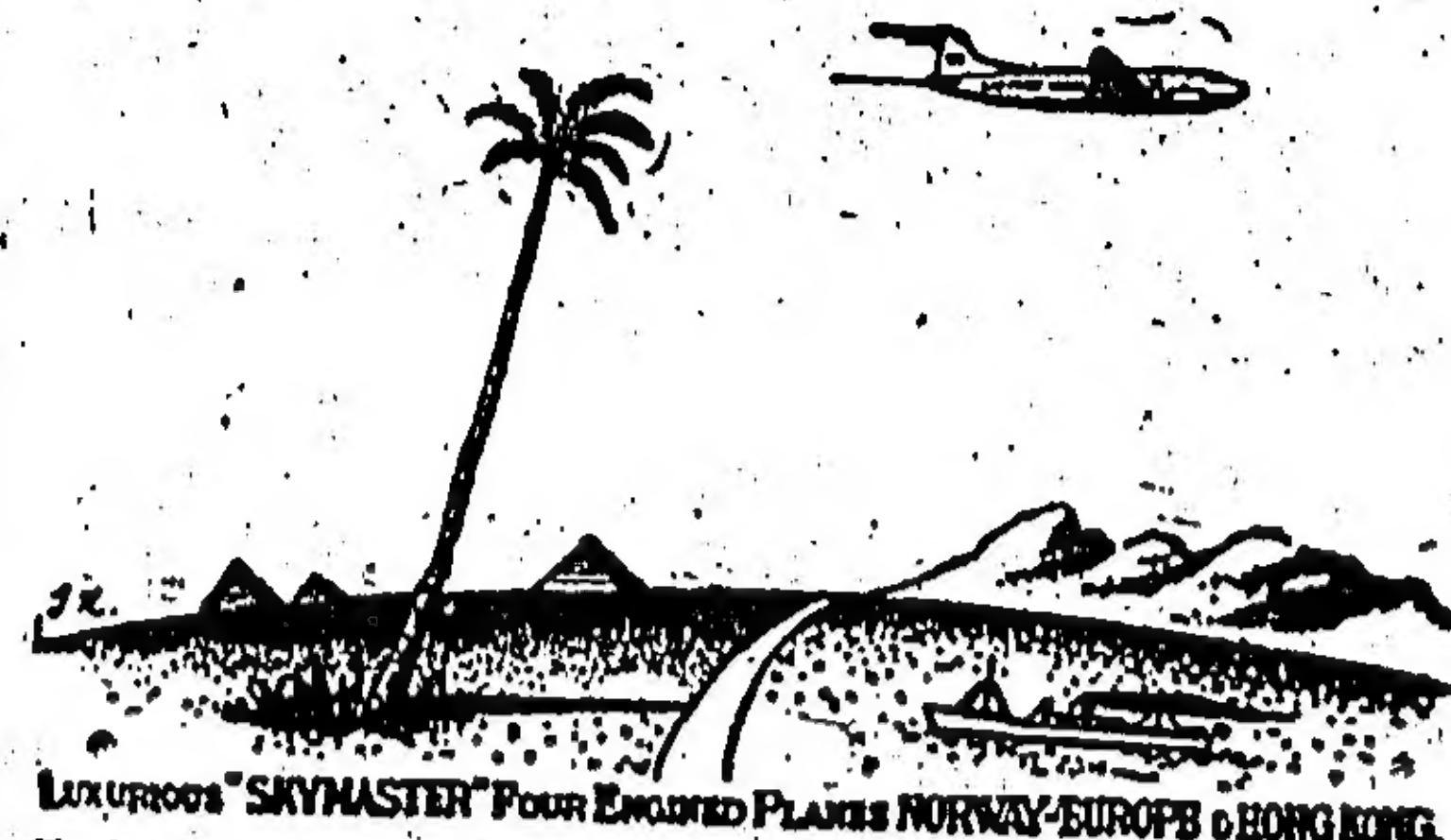
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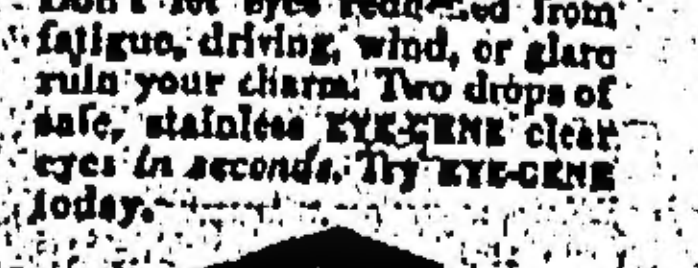
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Russian Accusation

Americans Holding Girl, 14, As A Hostage

Berlin, August 28.

Saying that they were trying to provoke a new Kosenkina case, the official Soviet news bureau in Berlin tonight accused the Americans of holding a 14-year-old Russian girl named Galina Korolenko "as a hostage for new provocations."

The Soviet statement said that the girl was brought to Germany by the Germans during the war and still suffers from injuries received in a bombing raid in 1945.

Czechs Arrest Hollander

Prague, August 28.—Czech police announced today they have arrested Mr. Bartholomew van Dam, "so-called intelligence officer" of the Netherlands Legation. The announcement, read over Prague Radio, said a group of Czech citizens "who have been dealing with van Dam's mission" has also been arrested.

It declared Mr. van Dam does not hold diplomatic immunity in Czechoslovakia. Documents found on him, the announcement said, "proved him to be carrying on intelligence work against Czechoslovakia for the profit of a foreign power."

The investigation is continuing, said the broadcast.—United Press.

SOVIET GENERAL DEAD

London, August 28.—Announcing the death of Marshal Pavel Rybalko, the famous Russian tank commander in the war, after a long illness, Moscow Radio said that the Soviet Government had decided to make an immediate grant of 100,000 roubles and a monthly pension of 2,000 roubles to his widow.—Reuter.

Comedy

The statement added: "The Americans have refused to allow the girl to leave Agulnata Hospital in the American sector."

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DECISIVE BATTLE NEAR IN BURMA

Rangoon, August 28.

Government troops rushed northward today to relieve Prom from rebel pressure, the Government announced. Prom is 160 miles north of Rangoon.

Neutral sources said a decisive battle in the North, is in prospect.

The communists said troops also are headed for Theyetmyo, 40 miles further north, whence the majority of British residents have been evacuated to nearby outposts. Other sources said the few British remaining were unhurt and received good treatment from the Communist insurgents.

In the area of Tanawaddy, rebels in ambush attacked Government troops on their way North. Heavy fighting ensued. Casualties were reported heavy.

Another engagement was fought at a bridge recently destroyed by the rebels. The Government said the rebels suffered heavy losses there.

In the Toungoo district of Central Burma, where Communists are strong, the Government ordered a campaign of extermination against the insurgents.

In the Bassein area, the arrival of the Premier, Thakin Nu, was said to have raised public morale.

Neutral observers said rebel activity in southern Burma was deteriorating into "disorganised banditry."—Associated Press.

AID FOR PALESTINE REFUGEES

Stockholm, August 28.

The 17th International Red Cross conference voted unanimously today to urge all governments and Red Cross societies to send aid to Palestine refugees "irrespective of creed or politics."

The resolution originally was proposed by the Netherlands and approved by the Relief Committee.

Count Folke Bernadotte, President of the conference, acted in his capacity of United Nations mediator for Palestine to appeal for aid.

Latest United Nations surveys estimate there are 330,000 Arab and 7,000 Jewish refugees.

An observer from the Jewish Government declared he was in favour of aid to all refugees. He declared 100,000 Jews in Jerusalem are also suffering from lack of food and water.

Many Arabs, he added remained in "Jewish areas of Palestine" and "did not want to leave."

The conference also adopted a resolution proposed by Greece urging that "Greek children deported outside their national boundaries be returned to their homes." Greek rebels have taken Greek children across the northern border of Greece.—Associated Press.

Lesser Of Two Evils?

Amsterdam, August 28.

The youth of China did not really like Communism, but they embraced it "because they are so enthusiastic about their country's political affairs," Professor Kenneth Li told the World Council of Churches here today.

They felt their country was corrupt and they ran the risk of turning Leftist to save it, he added.

Among those attending the conference, there is a strong move to ensure that invitations are given to one or more of the younger church organizations, such as those in India, and Africa, to be represented on the Central Committee of the Assembly.—Reuter.

EX-MODEL ON WAY HOME

Marseilles, August 28.

Mrs. Richarda Morrow-Tait, British housewife who wants to fly around the world in her light plane, took off from Marseilles airport near here today for Malta.

The former artist's model bade good-bye to her husband and small daughter in England August 18. She had been grounded several days at Marseilles field by mechanical trouble.

The navigator of her plane, called "Thursday's Child," is Michael Townsend, formerly of the RAF.—Associated Press.

BAO DAI IN GENEVA

Geneva, August 28.

Ex-Emperor Bao Dai of Annam, who has been in France discussing the political situation in Indochina, arrived here today for two weeks' holiday.—Reuter.

POP



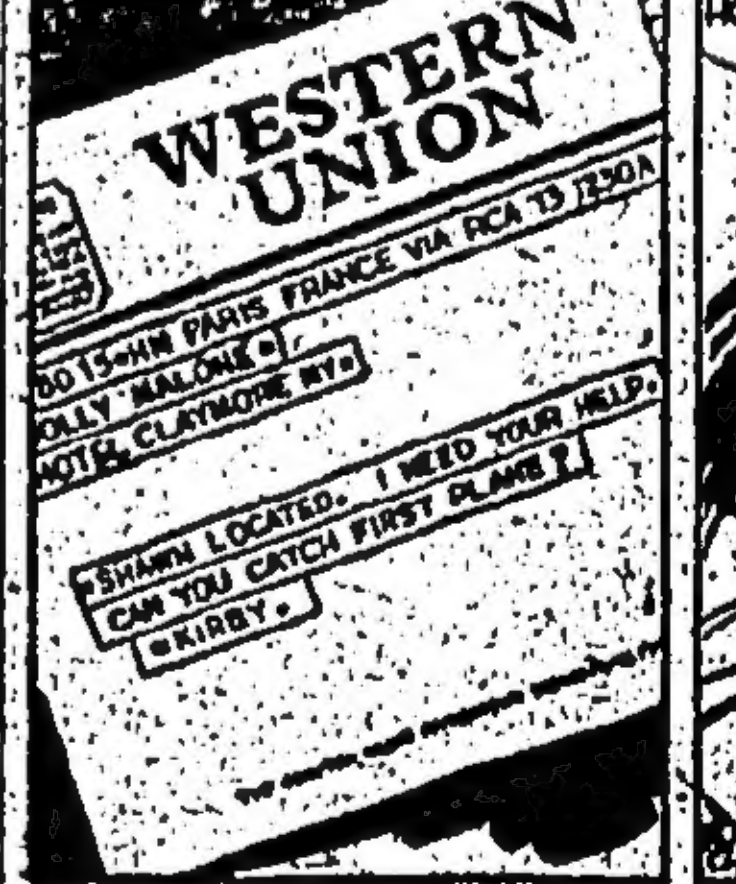
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RUSSIANS PREPARING TO USE TROOPS IN BERLIN? PLAN TO FOMENT RIOTING

Berlin, August 28.

The American Military Government today charged the Russians with preparing to use Soviet troops in their drive to oust the anti-Communist Berlin city government.

This week's Communist-led invasions of the city hall in the Russian sector were called part of a Soviet plan to foment "spontaneous riots" which could provide incidents needed for intervention by the Red Army.

The American document, a weekly review of occupational affairs, said: The demonstrators are "part of the Soviet plan, to be implemented by the Socialist Unity Party which includes repudiation of the city government and possible spontaneous riots in Berlin on a large scale, perhaps making it necessary to call in Soviet troops for the protection of the people."

"The plan is that the city Government can be forced to transfer to the west without Socialist Unity party participation. Establishment of a people's Government in the East would follow as a matter of course."

The British authorities in Berlin today offered to allow the City Assembly to meet in the British sector if the Russians were unwilling or unable to guarantee the safety or meetings at the City Hall in the Soviet Sector, twice occupied by Communist demonstrators in the past 48 hours.

The Assembly Chairman, Dr. Otto Suhr, was tonight awaiting a reply from General Alexander Kotikov, the Soviet Commander, to his request for a neutral zone around the City Hall.

Must Be Held

Dr. Suhr told reporters: that the Assembly would probably meet again in the City Hall on Tuesday if General Kotikov has given a positive answer to my request that demonstrations in the area be banned or if the Moscow talks have led to such an easing of the tension that no demonstrations are to be feared.

"Whatever happens, however, a meeting of the Assembly must be held very soon," he added.

The neutral zone called for by Dr. Suhr is almost entirely in the Soviet sector, with a small portion in the American part. Dr. Suhr was replying to General Kotikov's midnight request for "further elucidation" of a letter yesterday asking the Russians for a guarantee of safety for the Assembly meetings.

A British soldier who was arrested in the Soviet sector of Berlin last night was still locked up in a Russian prison late today, according to a German journalist released today after being held by the Russians overnight.

The German journalist said that the British soldier had told

Monty Says It's Wonderful

Westhof, August 28. Field Marshal Viscount Montgomery slipped tea in the crowd of the air base at this base today and said: "It's a wonderful operation."

That was his assessment of the air lift to blockaded Berlin. He spent an hour this afternoon inspecting this airfield, biggest of the three British bases from which "Operation Plain Fare" aircraft operate.

Asked by the Associated Press how long he thought the operation would have to continue, the Viscount answered "You had better ask Mr. Bevin."

The chief of the Imperial General Staff is due to return to Britain on Monday after completing his routine tour of the Rhine Area.—Associated Press.

FAIR TRAINS CANCELLED

Berlin, August 28. Forty-three special trains which have been waiting in the British and United States western zones to take passengers and goods to Leipzig Fair were cancelled when it became apparent that the blockade would not be lifted, a high British transport official said.

There was no suggestion of any sort of persons holding regular inter-zonal passes going to Leipzig. But there will be no transport supplied from the west zones. Other European countries supplying their own trains will not be prepared from sending them across the blockade zone to the Fair.—United Press.

Germans Sacked

Soviet district commanders in Berlin have dismissed the Social Democratic Councilors in charge of the food administration in two districts of the Soviet sector, Panikow and Treptow, the German news agency, DPD, reported today.

They were accused of "sabotaging" the unloading of the first Soviet wheat delivery for Berlin and of distributing unobtainable food to the population.

The Socialist Unity Party tonight adopted a resolution demanding the withdrawal of the Western mark from Berlin and the introduction of the Eastern mark as the only legal tender, the Soviet licensed German news agency, ADN, reported.

The party also appended to the City Assembly to form a special committee to carry out a winter emergency programme.—Associated Press and Reuter.

BERLIN INCIDENT ACCUSATIONS

Berlin, August 28.

The United States Military authorities tonight formally charged a Russian Lieutenant Colonel and two Soviet soldiers.

They were charged with precipitating an incident in Berlin's American sector in which American and Russian soldiers exchanged shots during a wild chase through the Berlin streets.

Two men, an American Private First Class and a Russian soldier, are in hospitals as a result of the incident.

The American is suffering from concussion after being knocked down from his motorcycle by the careening Soviet amphibious jeep which he tried to halt. The Russian has a bullet from an American Military Police gun lodged in his back.

An American protest was directed to Lieutenant General Kikhil Dratvin, Deputy Soviet Military Governor in a letter from Major General George Hays, American Deputy Military Governor.

The Soviet authorities earlier registered a verbal protest charging the Russian soldier was wounded by United States Military Police who chased the Russian vehicle into the Soviet sector.

Servicing Of BOAC Planes

London, August 28.

The Executive Committee of the Aeronautical Engineers Association adopted a resolution today asking the Treasury to prevent the servicing of British Overseas Airways Corporation planes in Holland.

The Committee's action followed a statement by J. G. Kennedy, chief shop steward of Sleyways Limited, who said his company is equipped to service constellations.

A BOAC statement this week said that an offer of KIM to service British planes was being considered because the work could not be done in Britain at present. BOAC shops at service constellations are being moved from Canada to Britain.—Associated Press.

MOST DRAMATIC ESCAPE

London, August 28.

Dr. Peter Zenke, former Deputy Prime Minister of Czechoslovakia and chairman of the Rense Party, is expected in London from Paris by air tomorrow, Czechoslovak circles here said tonight. Zenke's escape from Czechoslovakia has been described as one of the most dramatic since the Communist coup d'etat. He was among the 12 Ministers who resigned in February as a protest against the Communist seizure of power.—United Press.

Mr. Lomakin Goes Home

New York, August 28. Mr. Jacob Lomakin, the Soviet Consul General and central figure in the case of the intimidated Russian school teachers, whose recall was demanded by the State Department, boarded the Swedish liner Stockholm this afternoon to return to Russia.

As he walked up the gangway, Mr. Lomakin told pressmen: "I purchased my ticket two months ago. I was going to take a rest. I have nothing to say. Everything has been said very clearly in the note."

The consul apparently referred to Russia's recent note severing consular relations with the United States. He then hurried on board and went immediately to his suite.—Reuter.

BRITISH WOMAN'S RECORD

Lympe, Kent, August 28.

Miss Lettice Curtis, 33-year-old British pilot, set up a new international women's air speed record for a 100 kilometre closed circuit in the Lympe high speed handicap today.

Miss Curtis was flying a Spitfire XI entered by the United States Embassy and attained a speed of 313.07 miles per hour on the circuit.

The previous world's record for a woman pilot over the 100 kilometres closed circuit was held by Miss Jacqueline Cochran, who flew a Republic in the United States in April, 1940, at 292.60 miles per hour.—Reuter.

UNRRA "RACKET SCANDAL"

Sydney, August 28. Mr. Leslie Haylen, Australian Labour member of Parliament, who recently led an Australian Parliamentary delegation to Japan, tonight described the distribution of Australian food and medical supplies in China by UNRRA as a racket and a scandal.

Mr. Haylen said that he was making a special report to Parliament on his investigations into UNRRA. "Even our blood plasma is sold on the black market," Mr. Haylen said. "The starving people that Australia wanted to help get practically none of our blankets, flour and other goods. Valuable machinery is still in the workshops."

The £19,000,000 which Australia gave to UNRRA as far as China was concerned could have been poured down the drain, Mr. Haylen added.—Reuter.

THE CRISIS IN CHINA

New York, August 28.

The Sun today commented, "The Government of China is at present, resting with all authority granted to it by the new constitution the severe strain imposed from within by economic and political difficulties."

"The extreme inflation has been corrected by the currency reform."

Chief President Chiang Kai-shek's appeal for public support of the financial reorganization, The Sun said this is the sound patriotic duty of citizens of a constitutional Republic.

By thus putting the problem so plainly, President Chiang drew upon the firm words of good statesmanship to prop an argument on economic policy," the Sun said.—United Press.

U.S. COTTON FOR JAPAN

New York, August 28.

The SCAP Foreign Trade Office in New York said today that the Japanese Board will continue to entertain offers from private shippers to supply about 50,000 bales of United States raw cotton.

Offers could be made under previous arrangements by which all offers would be based on March, 1949 futures and shipment would be effected during October, November and December 1948.—United Press.

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M.V. "DILWARA"	due 23rd Sept.	from U.K. via Straits
M.V. "TRESILLIAN"	sails 30th Sept.	for U.K. via Straits
S.S. "CANTON"	due mid Oct.	from U.K. & Continent via Straits, from London via Suez, Bombay, Colombo & Straits.
	sails 25th Oct.	for London via Straits, Colombo, Bombay & Suez.
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	sails 15th Sept.	for Singapore, Colombo, Bombay & Karachi.	
M.S. "SIRDHANA"	(Apar Line) due 10th Sept.	from Calcutta via Straits	for Amoy & Japan.
M.S. "SANGOLA"	(Apar Line) due 5th Oct.	from Calcutta via Rangoon & Straits.	for Amoy & Japan.
S.S. "SHIRALA"	(Apar Line) due 7th Nov.	from Calcutta via Rangoon & Straits.	
	sails 9th Nov.	for Amoy.	

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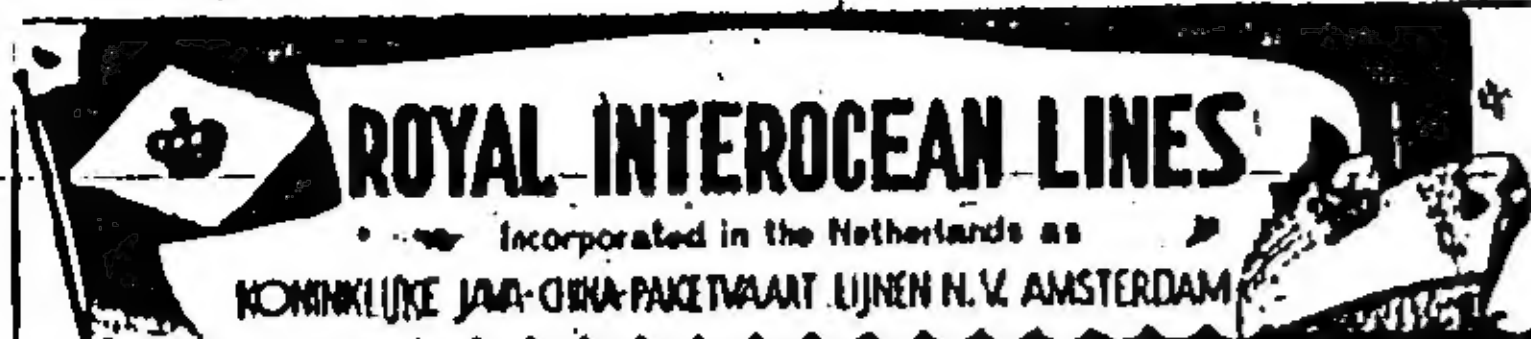
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"TJISADANE"	from Amoy 31st Aug.	to Javaports & Macassar 2nd Sept. 3.30 p.m.
"TJIBADAK"	from Macassar & Javaports 1st Sept.	to Javaports & Macassar 15th Sept.
"TJITJALENGKA"	from Macassar & Javaports 15 Sept. Macassar 29 Sept.	

ASIA-AFRICA-SOUTH AMERICA SERVICE

Ship	Arrivals	Departures
"TJIKAMFER"	from Japan & Shanghai 31st Aug.	to South Africa & South America via Manila & Straits 6th Sept.
"STRAAT MALAKKA"	in port	to South Africa & South America via Manila & Straits 6th Oct.
"BOISSEVAIN"	from South America & South Africa 2nd September	to South Africa & South America via Manila, Straits 10th November.

Transshipment cargo on through B/L to Dar-Es-Salaam, Mombasa, Zanzibar accepted on all sailings.

SUMATRA-MALAYA-CHINA SERVICE

Ship	Arrivals	Departures
"VAN HEUTSZ"	in port	to Amoy & Swatow 20th August to Straits & B. Del. 5th Sept.
"HEINRICH JESSEN"	from B. Del. & Straits 10th Sept.	to Swatow & Amoy 11th Sept. to Straits & B. Del. 18th Sept.

Agents: HOLLAND-EAST ASIA LINE

Ship	Arrivals	Departures
"MEERKERK"	from Japan & Shanghai 31st Sept.	to Europe via Manila & Straits 3rd Sept.
"ANNENKERK"	from Japan & Shanghai 10th Sept.	to Europe via Manila & Straits 20th September
"LANGLESCOT"	from Europe End September	to Europe via Manila & Straits Mid October

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"SILVEROAK"	from U.S. Atlantic ports End Oct.	to Atlantic Ports & U.S. Early Nov.

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Atlantic Coast via Los Angeles	Early Sept. Mid Sept.	m.v. "HALLAND" s.s. "DONA AURORA"
ARRIVALS		
From	Date	Vessel
Atlantic Coast via Los Angeles	In port 6th Sept. 22nd Sept.	m.v. "DONA ANICETA" m.v. "TONGHAI" m.v. "MINDORO"
SAILINGS		
For	Date	Vessel
Atlantic Coast via Los Angeles	31st Aug. 8th Sept. Early Oct.	m.v. "DONA ANICETA" m.v. "TONGHAI" m.v. "HEMLAND"

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S.S. "BENCROUCHAN"	U.K.	Early Oct.
S.S. "BENMACDHUI"	U.K.	Late Oct.
SAILINGS		
SHIP	TO	READY
S.S. "BENLAWERS"	(Aden, Port Said, London, Antwerp, Rotterdam)	Mid Sept.
S.S. "BENVORLICH"	(Rotterdam)	First Half Oct.
S.S. "BENCROUCHAN"	(Hamburg)	Early Nov.
S.S. "BENVORLICH"	Kobe (Japan)	Early Sept.
S.S. "BENCROUCHAN"		Early Oct.

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FINANCE AND COMMERCE

REPERCUSSIONS OF MALAYA ON
BRITAIN'S DOLLAR POSITION

London, August 29.

Some concern is felt in London about the possible repercussions of the troubles in Burma and Malaya along with other factors, on Britain's dollar position.

It is as yet premature to estimate the actual extent of the damage to the prospects of rubber and tin exports.

It is feared that, should the unrest continue for some time, the dollar-earning capacity of both countries would suffer considerably. And since both belong to the Sterling Area, Britain would be indirectly affected. Should the losses prove considerable, the resulting decline of the sterling area dollar reserve would increase Britain's dependence on American assistance.

The outlook in Hyderabad and Kashmir is also causing concern in London. Open hostilities in India would materially reduce the two Dominions' capacity to export to this country and would tend to increase the amount of unrequited exports to India and Pakistan to the limit of the sterling amounts released under the recent agreements.

This again would weaken Britain's foreign exchange position, since she would have to pay for the imports which would have to be obtained from other countries instead of India and Pakistan.

Export Drive Threatened

As these might go a long way towards wiping out the benefits of the progress of the export drive and the tightening of loopholes in the exchange control.

Until a few days ago official circles in London viewed with growing concern the possible effect of continued bad weather on the exchange position through materially damaging our crop prospects. Better news during the last few days has to some extent allayed fears in that respect but even now there is much anxiety in Whitehall on account of the possibility of having to import grain than was originally anticipated while the weather is anything but settled.

Finally, the foreign exchange aspects of the troubled international political horizon are receiving much attention. It is feared that since the United States is not likely to grant any assistance beyond that provided in the Marshall Plan any increase of military requirements of foreign exchange would mean an extra burden to this country.

As an illustration of how the City of London views the position, there was issued at the very moment when this report was being written, a new compulsory schedule of minimum war and S.R. and C.C. (strike riot and civil commotion) rates by the Institute of London Underwriters. This new schedule announces the following amendments:

Hong Kong

Voyages to, from, between or calling at ports in the following areas: Burma, China, Dutch East Indies, India, Malaya, Pakistan, (all ports only) and Hong Kong, Indo-China, Japan, Philippines and adjacent islands and Siam...

three-twentieths per cent. The Institute also issued an advisory schedule of minimum war and S.R. and C.C. rates, which included the following amendment: North and Central America, Atlantic, Pacific or Gulf ports, to, from or calling at ports in the following areas: Burma, China, India, Malaya, Netherlands East Indies, Pakistan (all ports only), and Hong Kong, Japan, Philippines, Straits Settlements and Thailand, three-twentieths per cent.—Reuter.

PAKISTAN TO
BUY SILVER

Karachi, August 28. Robert Gomez, Mexican businessman, will start negotiations shortly with the governor of the State Bank of Pakistan for the sale of Mexican silver.

Officials said Gomez has given assurances that Mexico can export any quantity of silver to Pakistan. They explained that Pakistan currency requires large quantities of silver.

Gomez has left Karachi for Calcutta where he said he would purchase 6,000,000 tute bags worth about £750,000.—Associated Press.

CHICAGO GRAINS

Chicago, August 28. Grains edged lower in dull trading. They were not affected by the announcement that parity prices would continue unchanged. Wheat closed 1/2 to 1-3/4 lower; September 22-1/4 -3/8 lower; December 22-1/4 -3/8 lower; July 19-5/8 -3/4 lower; 1-3/8 lower to 3/4 higher. September 16-1/2 -5/8 lower; 5/8 lower; September 7-5/8 -5/8 lower.—Associated Press.

STUDEBAKER
CUTS DOWN

South Bend, Indiana, August 28.

The Studebaker Corporation announced today that its motor-car and truck plans will go on a four-day week during September because of the steel shortage. President Harold S. Vance said the plants hoped to produce 10,000 vehicles during September, or 5,000 under the record output of June.—United Press.

LEBANON POUND

Beirut, August 28.

The Lebanese Parliament today ratified the monetary agreement with France guaranteeing the official rate of the Lebanese pound for the next ten years. The official rate has been set at 97 francs 83 centimes or 220 piastres for the US dollar and 853 piastres for the pound sterling.—United Press.

RITUAL
MURDER
HORROR

Cape Town, August 28. A British Court was told today how a native's scalp was sliced off with a table knife during a Basuto ritual.

A headman, seven of his male followers and one woman, were charged at Maseru with murder in the second such case of this week.

The victim was identified as a herdsman named Spontokan (Kosk) who was sacrificed so that the headman could be confirmed as chief of the village. As the table knife was pressed against the native's scalp, he allegedly cried out "why do you put me to death so cruelly?"

Evidence claimed that the detached scalp was then placed in a dish pan. The ritual was held over the blood from the dripping scalp.

The boy was finished off by the headman who stabbed him at the base of his neck after the scalp was removed, witnesses said. The court has not completed its case.—United Press.

FEC AND JAPAN'S
INDUSTRY LEVEL

Washington, August 28.

The Far Eastern Commission, at its regular meeting during the second week of September, will press for an explanation of the situation regarding attempts to fix a level for Japanese industry.

He said during the past six months that the Department of State has been unable to establish a clear-cut policy, perhaps indicating disagreement between the Army and the Department.

The level likely to be proposed for Japanese iron, steel and shipbuilding might be considerably too high by some countries, he said, and declared it is obvious the Army is seeking a way by which it can retrieve some of the heavy dollar expenditures of the occupation.

The source said the FEC has no evidence that the Army is bringing pressure to, by-pass the Commission on the future administration of Japan, as reported in some places. However, there are indications that the Army desires such a situation if it could do so.

There are two evidences of this: 1. The Clifford Strike report of civil engineers who visited Japan, which some advisers to the FEC recommended by-passing; 2. recommendations in the recent Johnson report, which the ECA Administrator, Mr. Hoffman, helped draw up, which proposed measures contradicting FEC policy.

Both reports were issued by the Army.—United Press.

BRITISH GOC
CONVALESCING

London, August 28.

Lieutenant-General Sir Brian Horrocks and Lady Horrocks arrived in London today after two months' holiday in Portugal, where Sir Brian has been convalescing after being taken ill while Commanding the British Army of the Rhine.

Sir Brian, who appeared to have made a good recovery, said that he was surprised at reports that he is to retire from the Army and that he had been seriously ill. After spending a few days in London, Sir Brian hopes to complete his convalescence in Cornwall and then expects to appear before a Medical Board.—Reuter.

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s.s. "FLYING DRAGON"	Aug. 29	San Francisco	Aug. 30	San Francisco via Yokohama
s.s. "FLEETWOOD"	Sept. 1	San Francisco	Sept. 2	San Francisco via Yokohama
s.s. "JULIA LUCKEN-BASII"	Sept. 5	San Francisco	Sept. 6	San Francisco via Inchon

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"President Wilson" (via Shanghai Yokohama)	Sept. 4
"President Cleveland" (via Manila)	Sept. 19
"General Gordon" (via Shanghai Yokohama)	Sept. 19

TO SAN FRANCISCO AND LOS ANGELES

"President Taft" (via Japan)	Sept. 13
"President Pierce" (via Japan)	Sept. 26

To NEW YORK, BALTIMORE and BOSTON
via PANAMA

"President Tyler" (calls Pacific Coast)	Sept. 9
"President Grant" (calls Pacific Coast)	Oct. 1

ROUND-THE-WORLD

VIA MANILA, SINGAPORE, COLOMBO, BOMBAY, KARACHI, SUEZ, ALEXANDRIA, MARSEILLES, GENOA, NAPLES, NEW YORK AND BOSTON.

"President Polk" (calls Karachi & Havana)	Sept. 7
"Scott E. Land" (calls Bombay)	Sept. 8
"Marine Snapper"	Sept. 17

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"PIONEER LAKE"	Sept. 13
"PIONEER COVE"	Sept. 19

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"PIONEER LAKE"	Sept. 14
"PIONEER COVE"	Sept. 20

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